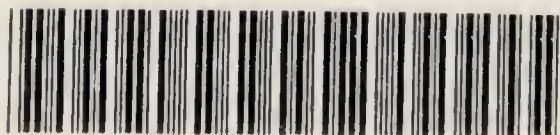




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HOW TO INFLUENCE  
MEN

BY EDGAR JAMES SWIFT

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HOW TO INFLUENCE MEN

PSYCHOLOGY AND THE DAY'S WORK

MIND IN THE MAKING

A Study in Mental Development

YOUTH AND THE RACE

A Study in the Psychology of Adolescence

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CHARLES SCRIBNER'S SONS

# HOW TO INFLUENCE MEN

THE USE OF PSYCHOLOGY IN BUSINESS

BY

EDGAR JAMES SWIFT

HEAD OF THE DEPARTMENT OF PSYCHOLOGY IN WASHINGTON UNIVERSITY, ST. LOUIS  
AUTHOR OF "PSYCHOLOGY AND THE DAY'S WORK"

A NEW AND ENLARGED EDITION OF  
BUSINESS POWER THROUGH PSYCHOLOGY

NEW YORK  
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1927

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TO  
THE MANY SALESMEN AND SALES MANAGERS  
WHOSE CONVENTIONS THE AUTHOR HAS ADDRESSED AND  
WHOSE ENTHUSIASM AND INTEREST AWAKEN  
PLEASANT MEMORIES  
THIS BOOK IS DEDICATED



## PREFACE

Men and how to deal with them! This is the business problem, and it is also the theme of this book. On its mechanical side, industrial efficiency has had a remarkable development, but it has failed to capitalize human nature. Naturally, in factory and office, the organization of details filed the first claim, but now that mechanical efficiency has reached its maximum, business men have discovered an unsuspected asset. Human nature, they have learned, is listed high when its value is understood. And, consequently, business men have appealed to psychologists for aid.

Supply quickly meets the demand, and at the first signal of distress scores of men and women rushed with first-aid treatment, prescribing physiognomy, phrenology, and memory cures. Classes were formed throughout the country to relieve salesmen of diffidence, forgetfulness, and their money. Vague words without intelligible content are amazingly convincing, and the more obscure they are, the better, since each prospect for the "new psychology" can then give them his own interpretation.

Books on salesmanship have been written by men who carefully avoid exposure to the scientific study of human nature, and whose minds are unventilated by accurate knowledge about the things they try to teach. The content of many of these books is trivial, their psychology superficial and distorted, and they have lowered the standards of salesmanship.

The purpose of this book is to lay the foundation of salesmanship and management—to prepare the groundwork upon which a career must be built, and to show the human factors needed in its erection.

EDGAR JAMES SWIFT.

WASHINGTON UNIVERSITY,  
St. Louis, Mo., September, 1925.



## INTRODUCTION TO THE SECOND EDITION

How to influence men has a universal appeal in every walk of life—in private or public life—in social or in business relations. “I read the new books on applied psychology, especially those concerned with salesmanship and managing men, as a mental stimulant,” said the manager of a large manufacturing plant to the writer recently. “Fixed ideas are likely to be one’s Waterloo. Many of us are following old ways of doing business because changes disturb settled habits, and I want to keep in touch with the new ideas that are in the air.”

This book was written as a peace-disturber, and the letters received indicate that it has ruffled the composure of a good many business men. “You have exploded my notions about selling goods,” wrote one man, “but I made a good exchange.” Well, there is more than one kind of dynamite and a mental eruption sometimes clears the atmosphere.

“Your estimate of the loss from the turnover of salesmen is too conservative,” said a business man. “Figures in my files from a large number of employers show that, on the average, 85 per cent of the salesmen whom they hired last year failed; and the loss on each one of these failures is variously estimated from \$250 to \$2,000.”

“The book certainly gave me a shock,” an employment manager wrote. “I thought that I could tell a promising salesman by the color of his skin or hair. I was sure that my blond-brunette rule was nearly infallible, but when I came to check up on the results of my selections I began to have doubts. Perhaps, after all, brains do not depend upon the amount of pigment in the skin.”

"A convincing business book," wrote the president of a large corporation. "The chapter on 'Thinking as an Asset in Business' ought to be read once a month by every business man."

Psychology should receive the credit for any value that this book has. Every one wants to know how to influence men, but salesmen must find the answer to the question. Yet one who tries to convince another is doing exactly what a salesman does except that an opinion is offered instead of goods.

The difficulty in "putting an idea across," to use a colloquial expression, is that among the many ways only one is the best, and the right method succeeds because it is psychological. It takes account of the peculiarities of the man with whom one is dealing and is modified by the conditions that affect him. The same approach will not fit everybody; neither will it fit the same man every day. Consequently, rule-of-thumb men who cannot get beyond the sales manual never make master salesmen.

Thinking requires a mental irritant and this book was written to start the disturbance. To be sure, man is like a screw—he can go only so far as his head permits. But man has the advantage of the screw because he can put something inside of his head which will enable it to go deeper. Most men, young and old, do not use their heads for what they are worth. If we say that men realize on only fifty per cent of their ability we are probably understating the facts. Men think and act by custom and tradition. The Western Union was in a comatose condition until Theodore Vail applied intelligence restoratives to stimulate its circulation.

"Experience is the best teacher," is an old and trite fallacy. Often it is the worst teacher, so flattering is it in the confident assurance that one's method is the best. Salesmen who are led astray by the wiles of this crafty deceiver will wake up some day, like Rip Van Winkle, wondering

what has happened. Or, more likely, they will not awaken until they receive a note from the firm and then it will be too late. To learn from experience one must have knowledge with which to interpret the meaning of success and failure.

Salesmanship is just emerging from the patent-medicine stage. It has had one elixir for selling typewriters and another for hosiery. When the concoction did not produce the desired result an inspirational meeting was called in which the salesmen were given the same mixture with a new ingredient called "pep." But now the progressive men are asking for something more effective than mental tonics.

Inspirational talks make one feel good at the time but the effect does not last. If a salesman is to meet a new selling situation successfully he must know why the last attempt failed, and this requires something more than ginger from an effervescing pop or "pep" bottle.

Psychology is the scientific study of human nature—it is organized knowledge about the men to whom you sell your goods. How to influence men, creative salesmanship, the art of thinking, and leadership are live subjects to-day for young men seeking a business career, and psychology is the foundation upon which efficiency must build.

Do you know what your method is, beyond the word formulas that you use? What are the psychological principles which you follow as salesman, manager, or factory chief? To put these questions in one: Why do you do what you are doing? Do you know?

The Chinese used to behead teachers of boys who turned out badly—a custom, by the way, with certain advantages. In more modern times, especially in business, the decapitation, if less realistic, is even more painful for the salesman or manager whose head is figuratively removed by advice from the office to take a vacation of indefinite length.

If you are a salesman do you wonder why you fail at times, or, if a manager, is the team-work of your organi-

zation all that you could wish? Whether salesman or manager, are you successful in your efforts to influence men? This is a trouble book, but most of our difficulties are with human nature, our own and that of others; and it is with human nature that psychology deals.

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HOW TO INFLUENCE  
MEN



## CHAPTER I

### THE PSYCHOLOGY OF SALESMANSHIP

“WHEN a book on salesmanship is offered to us we know essentially what it contains before we begin to turn the pages of the manuscript,” said the president of a large publishing-house to the writer recently. “All of the books on salesmanship which I have seen could be made into one, and that one would be pretty small if the padding were omitted. But what are we to do? Nothing better has thus far been offered to us, and the emotional, platitudinous stuff is bought as fast as it can be run off from the presses.”

The force of this condemnation becomes doubly impressive when we consider that it is the opinion of a prominent publisher whose knowledge of business books is extensive. Salesmanship has not advanced beyond the grade of a rather crude, experimental art. One man's opinion is as good as another's unless contradicted by the experience of some one else; but no experience is worth consideration if it denies one's own. There is no agreement except on platitudes; and mellifluous, pompous phrases are solemnly worshipped provided they are obscure enough to convey no thought. Advice which gives no rules for selling dry-goods, groceries, or automobiles is without value for many salesmen.

Securing attention, arousing interest, creating desire, and forcing a decision are shibboleths, but the password always has reference to the goods which a salesman sells. No general principles are recognized. There is always “a difference” between selling your goods and mine. No general principles of strategy and tactics for awakening attention,

interest, desire, and volition are found in books on salesmanship, because such studies and investigations would not tell the salesman how to sell hosiery. Many times at the close of a discussion of the basic principles of salesmanship, the writer has heard salesmen say: "But what has the will to do with selling my goods?" Yet salesmanship will remain in its present experimental state, like the herb medicines of our great-grandmothers, until a psychological foundation has been made the basis of the training of salesmen. Applied psychology, like any other applied science, presupposes a body of knowledge which can be applied.

Salesmanship has not reached the level which advertising has attained, because the former has always been treated in this empirical way, while business men learned some time ago, that they were wasting an enormous amount of money by the hit-or-miss method of advertising. Consequently, some of the more alert men examined the subject and found that there were many questions which must be answered before they could advertise intelligently, or, to put it more concretely, before they could make their advertisements pay. For a number of years the Association of National Advertising Managers employed a psychological expert to investigate advertising problems and report his findings to them.

Not long ago, to give another illustration, while the advertising committee of a large industrial plant was discussing whether a short advertisement for a number of weeks would be more or less profitable than a longer one for a shorter period, the president of the company entered the room. After listening to the conversation for a few minutes he said: "Gentlemen, this is not a question to be settled by discussion or by uncontrolled experience. The subject is a matter for expert investigation. We will hand it over to a psychologist and let him try out both methods on selected groups of men."

The writer is quite aware that immense sums of money are still wasted on unintelligent advertising. He knows of one case in which a contract was made for ten insertions in an expensive medium because of its large circulation. When the results were unsatisfactory, investigation showed that nearly 60 per cent of the magazine's circulation was in the country, while the goods advertised were for city use. The progress of advertising to which allusion has been made refers only to the advance-guard of business men. A few of the larger advertising firms of the country, however, have seen the light, and are guided by the beacon to an extent that is not true of salesmanship. The writer knows personally of some half-dozen advertising and industrial firms that employ psychological-research specialists to investigate their problems, and these progressive business men are blazing a trail which others shortly will be compelled to follow.

This book is an attempt to lay the foundation of salesmanship and management—to prepare the sales structure upon which those who would create a career must build. The author tries to show the human basis of some of the fundamental principles which the salesman and executive should know.

In beginning the study of the psychology of salesmanship it is well to get the psychological view-point: namely, that every response has some adequate cause. In technical psychology this is called the stimulus-response reaction, but we do not need to worry about technical names. The important fact is that there is always a cause or reason for the response or behavior of men.

We must remember also that there are always two main factors in any response—the organism and the environment. And a stimulus is something in the environment that causes the organism to act. Since salesmanship deals with the responses and actions of men, for our purposes the organism, as well as a part of the environment, is always

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a man. The salesman, for example, is dealing with a prospect who is set in a certain environment, and this setting is continually influencing his behavior. But, again, the salesman, together with everything that he says, the reputation of his firm, and many other factors connected in some way with him, is a part of the environment of the prospect.

Now it is clear that the particular man who happens at the moment to be the prospect may be undergoing all sorts of emotional changes, brought about by certain factors in his environment, and these changes will render futile the usually adequate stimulus. In other words, the suggestions and arguments of the salesman do not move him. He may not have had his dinner, for example, or he may be suffering from indigestion. Again, he may be worried because of some financial difficulties, or he may have just finished a fatiguing interview. All of these conditions, and many more, would produce such alterations in the prospect that he would not respond to the usual stimuli. And in this case stimuli are the appeals which the salesman makes, the things that he says, the way in which he says them, together with that rather elusive factor which we call personality.

Salesmanship, then, in spite of the complexities of behavior is always a matter of stimulus and response, and the response is determined by all of the factors that enter into the situation. We shall see in the following chapters that the whole situation is the important thing for the salesman, and that it is made up of many more factors than are usually noticed. But for the present we shall speak of the more evident ones—those which every intelligent salesman appreciates. The situation, then, in its more superficial aspects, includes the buyer and the salesman, with all of their permanent and temporary peculiarities of manner and speech. Consequently, the secret of predicting behavior is largely knowledge of the prospect and of

the circumstances surrounding him. But since this knowledge can never be complete, one can rarely predict the response with certainty. In proportion, however, to the extent of our knowledge, our prediction of behavior becomes more accurate.

It is well known, for example, that knowledge of the political opinions of a man will enable one to foretell, with almost unerring accuracy, his judgment regarding certain political questions. If you know a man as a firm believer in the principles of the Republican party, you can assert with perfect confidence that he will hold certain views regarding the tariff and other doctrines which have been regularly declared in the platforms of his party. Again, if one knows a man's views about trade-unions, one is almost as sure of his opinion about related questions as of the law of gravitation.

Predicting the behavior of men in the great outside world is much like foretelling responses to stimuli in the psychological laboratory. If enough men have been tested to establish a working principle, the result is fairly certain. Exceptions will indicate varying or unknown conditions.

And in business it must be remembered that, whatever other conditions may be operating there are always two forces—the seller and the buyer—playing upon one another in every sale. The salesman causes a part of what we have called the stimulus, and the buyer produces the response. But the prospect is also a stimulus for the salesman, and as the former changes—and changes are always going on—the response of the salesman should be altered to meet the new situation. In every sale there is this interplay of human forces. So we have the interaction of stimulus and response about which psychologists have had much to say in recent years. The interplay of stimulus and response sounds rather technical, but let the reader picture the salesman's part in the performance as his wit, knowledge, and personality trying to create a desired re-

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sponse in the prospect. This comparison makes the interaction of stimulus and response quite intelligible, and it also shows that salesmanship is wholly dependent upon understanding and conforming to the principles of human nature.

But the appeal, as we have seen, is much more complex than it appears from this brief statement. What the salesman says is not all that there is in the stimulus. His personal appearance, his voice, and that quality which for want of a better name we call personality—all of these play their rôle. Then, too, even when we view the situation superficially, there may be other factors operating as stimuli. The presence of other men, for example, may set up opposing stimuli, or the prospect's eyes may fall upon papers and documents lying on his desk which call to mind troublesome problems. Evidently the whole situation with all of its details, plays its part in the final outcome; and some of these details favor the response that the salesman hopes to produce, while others oppose it.

We shall find in a later chapter that many other factors besides those which have been named enter into all situations. The relations between the more superficial elements, for example, play a subtle rôle in the fascinating drama of salesmanship, as they do in every other play of human ingenuity. When a salesman understands the general and personal characteristics of men, a prospect, during a sales talk, becomes a different individual with altered ideas and ambitions. If the salesman has not changed in consequence, he has failed to rise to the possibilities. This alteration in the prospect is a new fact, which originated in the relation between some of the conditions of the situation or in the course of its development.

In the present chapter, however, we shall treat the selling situation as though it were comparatively simple, reserving for later discussion the more complicated relations which always prevail in human intercourse. This assumption of simplicity is rather necessary, since certain out-

standing psychological facts should be emphasized before the more involved relationships of the actors in a selling drama can be understood.

It should be emphasized, however, that in speaking of "simple" selling situations we are only omitting the more complex factors from the discussion. As a matter of fact, situations are rarely simple. Occasionally, as all salesmen know, a prospect is prepared to buy at once. But such simple situations are not frequent. Were all prospects waiting for salesmen to call upon them and take their orders, this chapter on the psychology of salesmanship would be unnecessary. To be sure, once in a while a salesman happens along at just the right moment, and takes an important order without even thinking of securing the attention, arousing interest, creating desire, and producing a decision. In such cases the attention is already secured by the previous determination of the prospect, not only to buy a typewriter, for example, but to purchase the particular make which this fortunate salesman represents. The writer, however, has known instances in which salesmen, starting with this great initial advantage, have failed to secure the order because of some psychological blunder. What was the cause of the failure? In one case the salesman, who called on a man by request, was so offensively important in his own esteem that he aroused all of the hatred of the prospect for such vain conceit. There was competition in this instance, you see, between stimuli, and the unfavorable stimulus won a victory.

Self-confidence is often mentioned as a necessary element in salesmanship, and it is a desirable quality provided one does not have it in excess; but the writer has known quite as many salesmen to fail because of too much self-confidence as because of too little. Self-reliance is excellent, and little can be gained without it, but self-esteem when conspicuous offends men of poise who judge by conduct and behavior rather than by words. If the reader

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will reflect for a moment he will recall many acquaintances whose most conspicuous fault is their exaggerated ego. Modesty, when not carried to the point of diffidence, is always appealing. And a quiet consciousness of one's worth without conspicuous evidence of self-importance impresses those with whom one comes in contact. Arrogance or presumption never carries weight.

After admitting all this, however, it is nevertheless true that excessive self-consciousness, resulting perhaps in diffidence, is an obstacle to success in salesmanship. A few days ago a salesman, about thirty years of age, called at the writer's office for advice. "I am excessively bashful," this salesman said by way of introducing his troubles. "The moment I begin to talk to a prospect I become painfully aware of every word I utter, as well as of the fact that I am, so to speak, under critical observation." And he wanted to know how he might cure himself of this oppressive self-consciousness.

To cure this failing it is necessary to become completely absorbed in the value of one's goods. This means, of course, selling something that one is convinced is thoroughly worth while, something worth getting enthusiastic over. If a salesman has no confidence in the article or goods which he is selling he can only create an artificial enthusiasm; but it is a mistake to assume that every one can get warmed up over the same thing. A salesman, therefore, should select his line with reference to his preferences and ability. A young man, for example, without any mechanical ability should not try to sell automobiles. It is absolutely necessary that an automobile salesman be able to understand every mechanical device on the machine which he is selling, as well as to catch the purpose at a glance of any of the parts of another car. Indeed, about the best preliminary training which a prospective automobile salesman could have, would be experience in a general repair-shop. In this way he would become pro-

ficient in the mechanism of the various cars, and consequently he could speak with authority about the comparative value of the different types of machines. With this knowledge he could become enthusiastic about the car which he felt to be the best. If a salesman loses himself in the worth of his goods, he will forget himself. In this way self-consciousness will disappear.

There is also another way to eliminate the consciousness of oneself, and that is to play the psychological game. The more completely a salesman becomes imbued with the psychological spirit, and the more interested he becomes in problems of human nature, the more quickly will he forget himself. A selling situation is a tremendously interesting human problem. Here is a man who is undecided whether he wants to purchase or not. Many things in his mind favor buying, but objections arise. How shall they be met? To one who knows nothing about human nature, who is unaware of the delicate ways in which the prospect himself may be induced to present arguments which the salesman may turn to his own advantage, the whole conversation is a confused jumble of obscurity. But to one who looks upon salesmanship as a great adventure, a marvellously interesting game which one is playing, such problems acquire all the fascination of outdoor sports. And unless one can get this attitude of mind toward work, one's success is at least problematical.

The writer does not mean that salesmanship should not be taken seriously. Does any one give more severe attention to the work in hand than baseball and football players? But, in the case of these men, enthusiasm for unexpected plays gives the game an irresistible zest that keeps the players alive and alert. And this mental attitude which characterizes sports, if applied to business, would raise the level of the day's work from toil and drudgery to the pleasure of achievement.

Work is no less serious because it is undertaken in the

spirit of a game in which we may perchance be beaten. But when we lose we seek the reason, and are thrilled alike in victory and defeat.

Then, too, the present writer suspects that the reason why some men are afflicted with self-consciousness is that they take themselves a bit too seriously. If they would release the tension and play at salesmanship as they played baseball when they were younger, they would not think so much of their legs and arms; in short, of themselves. That was good psychological advice that Richard, one of Una Hunt's characters in *Una Mary*, gave little Una when she was struggling to control her fork at her first dinner-party. "Keep your mind on your knife and let the fork take care of itself." Looking back on it afterward Miss Hunt remarked: "Then I began to succeed. The fork was as meek as a lamb if I paid no attention to it."

In the confusion of causes of success and failure salesmen are likely to think that there are no psychological principles underlying the art of selling goods. The same method and arguments are used by two different salesmen, and in one case the approach is successful while in the other it is a failure. Surely there can be no established laws or principles of human behavior when the same method arouses interest and desire in one prospect, but does not produce the slightest effect in another. The explanation of this apparent contradiction, however, is not the lack of laws governing human action. It is rather the fact that human nature is not so simple as the uninitiated are inclined to assume it to be. Motives of action are exceedingly complex, and human behavior is influenced by many incentives, some of which facilitate the action which is desired, while others array themselves in opposition. Interest and attention are governed by the laws of human nature; but man is a complex organism with a great variety of conflicting impulses, and one who would influence action whether in salesmanship or in any other line of persuasion

must understand these principles of human behavior. Salesmanship is adaptation to motives of action.

If one were wise enough to know all of the forces that govern action in an individual, and were sufficiently adaptive to meet and control them with the right argument or suggestion, one would always be able to convince a prospect that he should buy. The chief obstacle in the way of persuasion is the difficulty of isolating and understanding the objections which arise in the mind of the prospect, and in meeting them successfully when they are understood. We cannot quite get another's point of view. And this is always a handicap in our efforts to persuade.

The dull man is one who is obtuse to the feelings, opinions, resistances, and attitudes of the one with whom he is talking. Feelings and attitudes are not always expressed in words. They are too subtle for such obvious manifestation. Sometimes the prospect himself is not fully conscious of them. They are then vague feelings rather than clearly defined opinions; but in spite of their vagueness they nevertheless play an important rôle in influencing decision, to the extent at least of preventing the prospect from casting the die and placing the order. Decision means overcoming objections. Resistances are submerged, and arguments favorable to the action dominate long enough for assent to be given. Then, after a decision has been made, one has a feeling of relief. Suspense is never pleasant. It represents resistance, obstruction, and conflict. And when the conflict has been relieved one feels the pleasure that accompanies the release of tension. The mind under these circumstances resembles a machine from which friction has been removed. There is no roughness, no jolt or jar, no resistance in the running gear. For better or for worse the die is cast, the strain is over, and the man looks confidently into the future. He is ready now to carry out the plans for which his decision has paved the way.

It rarely happens that two salesmen can use exactly the

same method of approach with equal success. The approach must grow out of the nature of the salesman as well as that of the prospect. For this reason too close imitation of the methods of a successful salesman is unwise. A salesman must be himself instead of trying to be some one else.

The writer knows many salesmen who are successful in spite of certain characteristics which would bring defeat to others. It is not always easy to see just why these salesmen succeed. Some of those of whom the writer is thinking have defects enough to blast the career of most men. But there is something about them that wins the confidence of the prospects whom they approach. Men are convinced of the honesty and straightforwardness of these salesmen. They are honest, and they show their honesty because they are themselves.

And here, perhaps, we may well say a word about honesty and square dealing. A salesman cannot be honest at one time and unreliable at another without showing duplicity in his demeanor. Honesty is not an instinct. It is acquired. And unless one is always straight there is something in the facial expression that betrays cunning. A man who is watchful of what he says lest he may admit a truth that will injure his prospects of a sale, soon acquires the cautious, crafty manner that characterizes shrewdness, and men are rightly suspicious of one who is too clever.

The feeling of successful business men regarding honesty is illustrated by a statement of the late J. Pierpont Morgan before the congressional committee investigating the money trust. "I have known a man to come into my office and I have given him a check for a million dollars, though I knew that he had not a cent in the world," said Mr. Morgan. And he added: "A man whom I do not trust could not get money from me on all the bonds in Christendom."

Sales talks, both printed and oral, have much to say about the way to induce prospects to buy whether they

want to or not, but very little is mentioned about strict honesty in the salesman. Honesty includes much more than unwillingness to steal. It is more than accurate representation of facts. Frankness and interest in the business welfare of the prospect, even at the risk of losing a sale at the moment, have not received their proper attention in the psychology of salesmanship. The reputation of putting the interest of prospective buyers ahead of sales is a tremendously valuable asset for a salesman, and for the house which he represents.

The writer has read a score or more of sales talks and the impression that he got from them is about this: "We are showing you how to work your prospect. If it is real estate which you are selling and he can't afford to buy, we will show you how to induce him to make the first payment. And if you are selling merchandise we will give you the method of loading the merchant's shelves with goods which he may or may not be able to sell."

Of course it is not put in this way, but the statement represents the impression which one gets from reading many of the sales talks. The mind of the buyer is always the theme, and the psychology of cajoling him into placing an order is the contents of "the talk." Yet an order secured to-day may make it impossible ever to sell again to the man who cannot move the kind of goods that you have sold to him.

Some men never really face the question of honesty. For them legality and honesty are synonyms. Consequently, a salesman should study himself quite as much as his prospects. Knowing oneself is the beginning of efficiency. Every one has certain characteristics that make an unfavorable impression. And the only way to overcome them is to know them. Observation of the mistakes of others in conversing with men in the Pullman smoking compartment and in other places will be helpful, provided one has the background of psychological knowledge that

will enable one to understand and interpret this behavior. Knowledge of himself was one of the reasons for Lincoln's success, if we may accept Weik's interpretation of his character.

"A strong point in his character was his knowledge of himself: he understood and comprehended his own capacity—what he did, and why he did it—better, perhaps, than any other man of his day."<sup>1</sup> And besides, Lincoln was honest—honest to the limit.

Reputation spreads, and the writer knows a number of real-estate salesmen who must always hunt for new prospects unacquainted with their methods. The reason is that they have sold so many town or suburban lots at the highest price which they will bring for years, that they can never sell twice to the same man. These salesmen talk their prospects into the belief that prices will advance, though they know full well that, before the purchasers can unload, the interest on the investment and the taxes will require selling at a price which only an improbable advance would make possible. And these chance occurrences are too rare for men of moderate means to base an investment upon. Reputation for square dealing means good-will, and ultimately it determines sales. Any live, energetic salesman can sell to one prospect or another, but after the sale is made what sort of a talk will the purchaser give his friends? This is a question that is too commonly ignored by salesmen.

And in the line of merchandise, a small-town dealer with a large country trade recently pointed to a shelf filled with the goods of a well-known wholesale house, remarking that he was through with that house. "The goods are all right," he said, "and they would sell in some places, but my trade does not want them."

Does this sort of salesmanship pay? Whom does a salesman represent when on the road: himself, his house, or the

<sup>1</sup> *The Real Lincoln*, by Jesse W. Weik, p. 117. (Houghton Mifflin.)

customer with whom he is dealing? The present writer, thinking of the psychology of good-will and its value to the wholesale house, cannot escape the belief that a salesman is a sort of agent for the customers of his house. Their interests should be his first concern. His problem, first of all, is not to sell a bill of goods but to discover what his prospects can sell, and then to place an order with their interests in mind.

This means, of course, that a salesman should study the territory through which he travels. He should know the peculiarities of each town with its surrounding country. Towns have their habits of thought and desires because they are made up of people who live, to a large extent, within themselves. These people have their styles of clothing and their habits of eating. The surrounding farmers are accustomed to use certain things on their farm and in their house. As a result of their comparative isolation they have acquired habits of living and of work. The inconveniences, as others view them, are quite natural to them. They have no desire to change.

The writer does not mean to say that innovations may not be introduced, but he does mean that the question of what the customers of his prospect will stand for, how far they will go in altering their inconvenient ways of working and living, is a psychological question that requires serious, honest reflection on the part of the salesman. The problem is not merely one of filling the shelves of a merchant with a new line of goods with which his customers are wholly unacquainted. This method merely shifts the responsibility of creating a demand from the wholesale house to the retailer, and the retailer resents it when he finds that the goods do not move.

An unusually successful salesman told a story to the writer not long ago. It is a bit of personal experience, and illustrates an important part of his psychology of salesmanship. "I was introducing a novelty," he said, "at

least it was a novelty in the smaller towns. And one merchant was so taken with it that he decided, almost without effort on my part, to place a large order, and to feature it on his shelves and in his windows. But I was not so sure that his customers would accept it with his enthusiasm. He had been a good customer of our house, and I had sold him many a handsome bill of goods. For a moment I hesitated. I wanted the order because it was large enough to be a matter of considerable importance, and if he should succeed in disposing of the goods it would mean many more sales in the adjoining towns and territory. But then, as I reflected, I felt less confidence in his ability to sell the goods, and if he did not, so large a quantity remaining on his shelves would be a serious blow to the reputation of our house as well as to me personally, since he would feel, however unjustly, that I had induced him to tie up his money in a lot of unsalable stuff. So I said to him: 'Don't buy so much. Take just enough to make a good window display and try it out. Your trade is conservative. Your farmers are a race that adopts new things slowly. And I remember that when my mother was preparing to make doughnuts she put one or two into the kettle of boiling lard to try it out and see that everything would work as she expected.' He took my advice, and on my next trip he remarked: 'You are different from most salesmen who come our way. The others try to make me buy more than I think I should, but you sometimes advise me not to buy as much as I am inclined to purchase.' And I have found in my rather long experience of selling goods," continued the salesman reflectively, "that it pays to represent the interests of my customers. In that way I get and keep their confidence. I may sell fewer goods to one man when I advise against a large order, but on the average I sell more, because my customers are convinced that I am looking out for their welfare. I find that they are always ready to take my advice, and, consequently, no salesman from

our house has a larger annual sale. I was brought face to face with this problem early in my career in salesmanship. The first house for which I travelled looked only at the immediate sale. The manager had no distant vision, and I asked myself which was the more important, a single sale or a dependable reputation. I came to the conclusion that I would make a reputation for straight dealing which would cause my personal trade to have confidence in me. So I left that house, and I told my next manager what my philosophy of salesmanship was. He said: 'Go ahead and try it out.' I found that it pays from the view-point of salesmanship as well as from my own feelings of square dealing." And he was right.

Many of the false notions regarding salesmanship which in the long run prove disastrous, come from the environment of loose business ethics into which the young salesman is thrown before his ethical ideas have become stabilized. Young men like to boast of the way in which they "worked" a prospect and made a sale. Consequently, the belief that any method which succeeds is good business, if one can "get away with it," becomes a part of the early experience of beginners. Success is the dominating thought, but to young men it is immediate success as shown by the sales record at the start. They do not distinguish between permanent success that depends primarily upon the reliability of the salesman, and temporary success which may lead to ultimate failure. The experience in which they are immersed does not make these distinctions, and experience has become a fetich among business men.

The writer has often heard salesmen boast of being born to the art. The reply to this is that not all who pride themselves on being born salesmen are really among the elect. Many self-chosen salesmen fall by the wayside. Such a man came into the writer's office recently seeking a recommendation for a new position. He had been an automobile salesman—a natural-born one, as he had pre-

viously said. But now he had concluded that there is no future for a salesman of automobiles. Consequently, he wished to make a change and enter a line of work that offered better opportunities for one possessing his natural gifts. Incidentally, it may be remarked that he was instructing a group of young salesmen in another establishment on the results of his "experience," though he had failed to make good.

Some men, of course, are natural-born salesmen just as others are natural-born teachers or writers. Such men conform unconsciously, and without effort, to the "rules of the game" which they are playing. A common fallacy, however, is the supposed number of geniuses in various lines of work. The writer has seen a good many men who boasted of being natural-born salesmen, but the great majority of them found their level within a very short time, and that level was rather low. They attracted attention for a time by the noise that they made, but they did not have the "staying" qualities.

One of these "natural-born" salesmen, a few years ago, assumed the management of a luncheon club in a city of the Middle West. The club had been losing its members rapidly because it was not adapted to the changed conditions of city life, and its overhead expenses were too high. The new manager put what he called "pep" into the organization. The members were told to address one another by their first names, and they slapped each other on the back when they sat down to lunch. Like all "pep" performances it worked marvellously for a short time. The membership doubled and trebled, and the commissions of the manager, of course, kept pace with the increase in numbers. But these artificial exhibitions of fellowship soon grew stale, and the resignations followed one another faster than the applications for membership had come in during the former period of enthusiasm. The new manager was finally advised to try his natural-born talent

for salesmanship in other lines. His trouble was that he mistook "hot air" for psychology. He did not understand human nature.

Evidently there are not so many talented salesmen as is usually thought, and those who boast of their natural aptitude for the work should be "held for observation" until they have demonstrated their ability. Those, again, who say that they do not need psychology should be given intelligence tests, for psychology deals with the one commodity which all salesmen handle; namely, men.

After one has been out on the road for a time and has met with some disasters and gained a little unorganized experience, psychology should be all the more interesting and valuable because one then is able to check up on methods. Such a salesman is able to see why he succeeded with certain prospects and failed with others. In this way he interprets his experience.

Books on English style, to take an illustration from another field, are especially fascinating to a man who has already gained some proficiency in putting his stories on paper. He has learned enough to know the difficulties in writing, and he can appreciate the facts which were meaningless for him until he tried to write. Thomas Huxley, for example, once said that rhetoric and grammar had no meaning for him until he tried to write. Then he saw the significance of what before was meaningless. Salesmen who have tried to convince unwilling prospects will find from the study of psychology that human action is subject to the law of cause and effect. If a man does not wish to give an order, there is a reason for it. Naturally, the first business of a salesman in such a case is to ascertain the cause. He will not find it in his uncriticised, chaotic experience. A salesman should organize his experience just as a military commander should organize his army.

To be of use, experience must be criticised and under-

stood, for without this organization, it is confused and obscure. Unexamined experience has no meaning; it is merely an unintelligible mass of stimuli and responses—of arguments or suggestions, and replies. In many instances no desire is created, and the decision is against the salesman. Psychology deals with the laws of attention, the methods of arousing interest, creating desire, and, finally, of producing a favorable decision. And to these principles we now turn.

The strongest appeal in selling is to instinctive tendencies. Instincts are as certain to produce results as an automobile is to stop when the power is shut off and the brakes applied. The reason why instincts do not always have the effect we expect is that there are many conflicting impulses. But it is the same with the automobile when it does not respond to the brake. In such a case we say that something is wrong. The brake does not catch, or the road is slippery and we skid. The difference between the action of automobiles and man is that human beings are much more complex. There is nothing wrong with a man who does not give the response which we expect, though we sometimes say there is. The explanation, in the case of men, is that the opposing and conflicting impulses disturb their action. We appeal to the instinct of family affection, for example, when trying to sell life insurance, but caution, fear of financial consequences, or inability to make a decision and carry it out interfere. These are not all instincts, but they are tendencies which have the force of instinctive impulses; and the salesman's problem is to bring these conflicting tendencies into order so that the mental obstructions to action may be removed. But this cannot be accomplished unless these impulses are understood.

It is quite common to say that these mental resistances are foolish. A man with a good salary can meet the payments on the house which the salesman is trying to induce him to buy. Consequently, there is no need for fear of

financial consequences. But a mental obstruction is just as real as the man who has it thinks it is. For a salesman to deny its seriousness is only to deceive himself. The objection must be eliminated, and it must be met from the standpoint of the prospect. He must be made to see that from his own point of view the obstacle to the purchase is not serious—that for his own advantage the investment is worth while.

Emotions naturally follow the arousal of instinctive tendencies to action, but emotions are sometimes like boomerangs that recoil upon the man who arouses them. One of the characteristics of emotions is their tendency to become attached to objects and ideas. A boy who is compelled against his will to attend church when he would prefer to watch the birds and squirrels in the woods, is very likely to extend his dislike to clergymen, and to all of the moral teachings for which the church stands. In the same way, a boy's dislike of his teacher is apt to spread to school and studies. Emotions probably never remain confined to the objects that first aroused them. If you like a man you like his intimate friends. At least this is the tendency, and it will prove true unless a strong conflicting reason prevents the natural outcome. Likes and dislikes tend to spread to connected or related objects.

The application of this psychological principle to salesmanship is obvious. Paint a gloomy picture of the cost of rent and of the many pleasures which must be foregone because of this monthly outlay, and the emotion aroused may attach itself to the house which you are trying to sell. Purchase of the house means outlay of money quite as truly as paying rent. Consequently, instead of arousing the emotions that are associated with the darker side of life, let the salesman show the pleasures and advantages of owning a house, an automobile, or life insurance. In this way the sad, gloomy, ominous conditions which would be awakened by painting the picture in dark hues will not

recoil upon the salesman and ruin his sale by blackening, with their portentous colors, the thing that he is trying to sell.

Instincts and impulses rarely operate alone. Man is not constructed on so simple a plan. On the rare occasions when one impulse holds the focus of attention, action follows immediately. At times, for instance, a salesman suggests the purchase of a car at just the time when the prospect has made a good financial deal, and he has been waiting until he could afford an automobile which he has long wanted for recreation and business. In such a case the mind of the prospect is prepared, and the salesman need only persuade him that the car which he has for sale is the best to buy. A salesman who cannot close the deal under such circumstances had better change his line of business, since he has not the first elements of salesmanship.

The test comes, however, when opposing instincts and impulses are playing their part. At such a time the salesman's knowledge of human nature is put to the strain. But even under these conditions the case is not as simple as it appears. The objection offered is rarely the vital one. The prospect usually offers the first objection that comes to his mind. "I can't afford an automobile," he says. Yet he may be paying more for doctor's bills than the car would cost. And if he could get into the country to fish and exercise his doctor's bills would be greatly reduced.

Naturally, the more intimate and immediate the connection between the appeal and the instinct the more certain will be the response. And, on the other hand, the less intimate this relation, the greater will be the chance for disturbing factors to enter the mind and obstruct the decision which the salesman is trying to produce.

A life-insurance salesman, for example, will be much more effective if he makes his appeal directly to the protection of wife and children rather than through the more indirect route of income from an annuity bond or an en-

dowment policy. An automobile salesman again, when appealing to love for out-of-doors, will do well to avoid the city or suburban streets in the demonstration of his car. Proof that hardly an hour's drive will take one to the prettiest woodland spot imaginable for a day's outing, by driving the prospect there, will make a strong appeal to primitive love of nature, and such a trip will connect the ownership of a car directly with the family health, and pleasure of relaxation in the woods, or of fishing in the stream near by.

We said a moment ago that if the connection between the appeal and the instinctive tendencies is remote, disturbing factors may enter the mind, and by delaying the decision, start an interplay of doubts and objections that will first obstruct, and finally prevent the consummation of the sale. Appeals should have a point. They should be directed at something. And instincts furnish the most effective leverage for action.

An idea is carried out into action only when it fills the mind to the exclusion of other thoughts. Consequently, it is important that the range of ideas be kept as limited as possible, with all suggestions converging toward the advantages of purchase. The salesman should always bear in mind the instinct to which he is making his appeal, for of all the impulsive tendencies the instincts have the strongest driving force. All of the instincts, however, do not re-enforce one another. Many times they are in turbulent conflict, and hesitation results. But delay often means the loss of a sale. The pleasure of being able to enjoy week-end outings with one's family conflicts, for example, with the instinct of self-protection and the tendency to hoard. Mental turmoil created by arousing many native tendencies is not conducive to a sale.

Hesitation and uncertainty, leading to the delay which is so fatal to a sale, are not infrequently caused by the salesman himself, by his frenzied efforts to prove that what

he is trying to sell is greatly superior to all rival articles. But comparisons raise doubts. Let us suppose, for instance, that a particular make of automobile is under consideration, and that the salesman is so unpsychological as to point out the advantages of his car over others which he names. The mention of other cars with which the prospect is familiar brings to his mind the commendation of these cars expressed by owners of them. And as he reflects upon the thoughts awakened by the comparative advantages of various types and styles inadvertently suggested by the salesman, the words of praise for other makes which he has heard rush into memory; and these ideas suggest delay with opportunity for further reflection. Thus when the sale might have been closed, the opportunity is lost. Postponement of the decision is always fraught with danger.

We have spoken of the importance of limiting, so far as possible, the range of ideas of the prospect, of focussing his attention upon the advantages of immediate purchase, and of always having the most appealing instinct in mind. The reason for trying to restrict the thoughts to which the prospective buyer gives attention is that when one idea occupies the mind to the exclusion of other thoughts, the dominating idea will be carried out. Doubt, hesitation, or refusal, again, means that opposing ideas enter the mind and set up resistances or conflicts.

This may best be understood by taking a very simple example. On a cold wintry day a friend suggests that we take a row on a near-by river. Now, if it were summer and a holiday, the thought of a pleasant outing on the river might hold possession of the mind to the exclusion of all other impulses. But the weather is cold, and the thought of the chilly wind immediately opposes the pleasant ideas which might otherwise dominate the mind. Consequently, instead of accepting the suggestion, we laugh at the proposal. The opposition and conflict is too great.

This illustrates the way in which ideas arise in opposition to the thought that might fill the mind and lead to action. The salesman should, of course, be alert to antagonistic thoughts, and his skill in dealing with situations will depend in large measure upon his ability to detect conflicting ideas which come into the mind of the prospect.

When the salesman asks himself how he may secure attention and arouse interest he immediately runs athwart a curious and perplexing fact. Attention, he is told, is impossible without interest, and interest cannot be awakened without attention. How, then, can the salesman break into this apparently closed circle? If he cannot get the attention of the prospect without interest, and if interest is impossible before the attention is secured, how is he to get his start? The answer to these questions is found in our instinctive endowment.

Man has certain native interests. These interests are in the race. They do not need to be acquired. The objects related to them arouse the attention immediately. It is not necessary, for example, to ask a friend to stop and look at a fire-engine dashing with clanging bell to a blazing building. Nor is effort required to induce a man hurrying to keep an appointment, to stop and watch a street fight. The appointment can wait, but the fight will not. Indeed, under these circumstances, a man usually, for the moment at least, forgets his appointment.

Now, of course, a salesman cannot exhibit a fire-engine hurrying at full speed, nor can he stage a fight to secure the attention of his prospect. We have given these examples to illustrate native impulses and to show their strength. But there are other attractions to which appeal may be made in selling various kinds of goods, and perhaps the first one to be mentioned here is the prospect himself. A man is always interested in himself. So true is this that his interest includes events in which he participated, even

though his participation was merely that of spectator. Chester S. Lord, in discussing "What to print,"<sup>1</sup> makes the following illuminating statement regarding what people like to read: "If you have been to the theatre you want to read a report or a criticism of the performance. You are pleased especially if the critic mentions some good or poor feature that you had noticed. It is a sort of verification of your judgment. You feel a sense of personal participation in the article."

Again, whatever concerns a man's personal weal or woe has interest for him. Objects or ideas which have some relation to his fortunes are irresistible. They immediately attract his attention. It makes no difference how uninteresting these objects may be in themselves. What could be less interesting than a list of the European cities to be visited by a touring party with the schedule of the number of days to be spent in each! But if one is planning to join the party, this schedule suddenly gains absorbing interest.

Again, the estimate which one puts upon oneself is a rampart which must be unobtrusively flanked. It is always too strongly fortified to be successfully stormed. One rarely underestimates oneself. But man's self-esteem has many vulnerable approaches with each of which the salesman should be familiar. For example, he should not only know the name of a prospect, but he should also pronounce it as the owner does. One's name is a very personal matter, and nothing cuts deeper into self-esteem than to discover that it is unknown or mispronounced. The indefensible sound which the owner may have given to a perfectly well-known combination of letters makes no difference, because it is his peculiar property. One's name is an essential part of oneself. Disfigure it and you hurt the man to whom it belongs.

The writer knows of one case where an appointment

<sup>1</sup> *The Young Man and Journalism*, p. 95. (Macmillan.)

with a salesman was refused because the letter addressed to the prospect spelled his first name Frederick instead of Frederic. This may seem a little matter, since names suffer such brutal mutilation by their owners, but those to whom the names belong regard them as very precious possessions, and they are exceedingly jealous of them. After all, things are little or big according to the point of view. Michael Angelo, when told on one occasion that the changes in a statue which had required a week of hard work were but trifles, said: "It may be so, but trifles make perfection, and perfection is no trifle." And so it is in salesmanship. The little things make the difference between success and failure.

Further, a man feels an extension of his personality by possessions which, in his opinion, add to his prestige. An automobile widely known for its reputation, a house a little better than those occupied by members of the group with which one wishes to associate, or a store so attractively stocked that it is the leader among competitors—each of these gives a feeling of increased importance to one man or another, according to his view of life.

We said a moment ago that possessions add to a man's estimate of his personality. Naturally, one's thoughts and feelings about these things are the important fact for the salesman. The man's acquaintances may laugh at his pretensions. They may say that he is trying "to break into society," and their ridicule will be justified, but the prospect's own thoughts and feelings are the important facts for the salesman. So long as the prospect does not know that his pretensions are regarded as a joke they are vulnerable points of attack.

This exposure to assault of the pretensions of a man makes him also assailable through anything that belongs to him. And since the members of his family are precious possessions they make a doubly weak spot, first, on account of his affection for them, and, second, because they are

“exhibits” of his prosperity. Anything that detracts from their standing in the community is a menace to the prestige of the head of the house.

The writer has known salesmen, acting upon this knowledge, to win objecting prospects and change refusal into orders. A salesman for a vacuum cleaner called upon a woman and demonstrated to her satisfaction this household need. But he must see her husband. A call at his place of business brought only refusal until the salesman quietly remarked, while gathering up his things as though to leave: “It means the difference between a wife and a household drudge.”

“How much did you say it cost?” asked the man, suddenly showing an interest which he had not before manifested. The salesman repeated the price, and then continued: “Maids are so difficult to obtain to-day that at times our wives must do the housework, and a man wants his wife to be fresh and happy when he reaches home. And, as I just said, a vacuum cleaner makes the difference between a wife and a worn-out drudge.” He made the sale.

Securing attention, arousing interest, creating desire, and, finally, forcing decision and action, let us repeat, are psychological problems. Salesmanship is a great game—an interplay of forces between the salesman and the prospect. But, as in all sports, the rules of the game are important, and in salesmanship these rules are the principles which underlie behavior. They are the laws of human nature. Even the rare natural-born salesman may study these principles with profit, and those who are not so gifted must master them with hard work.

The instincts and impulses are too numerous to enumerate, but a few more may be used as illustrations of their nature and strength. The fascination of woods and rivers we have spoken of, and these haunts of primitive man continue to exert a mastering influence over the life of modern

man. Everything connected with hunting, fishing, camping, and outdoor life in general is of tremendous interest to men to-day. The appeal is irresistible.

Then there is the instinct of self-assertion which reveals itself in modern life in many ways. Everything that will enable one to better one's condition, to win in the struggle for existence, to become more powerful and influential, calls out this aggressive instinct of mastery. Closely related to this tendency is the instinct of rivalry—the desire to display oneself, to “show off,” in the presence of friends and acquaintances. This leads to the impulse to assume leadership. No man wants to be a nonentity among his fellows. Every one wishes to be recognized as a man of importance in his community, and whatever tends to give one prominence is desired. Consequently, one may rely upon this tendency with confidence in its support.

Everything, again, that improves one's personal appearance, such as clothes, or house, makes an appeal to this desire to be recognized as a man of importance. It improves one's business outlook to be considered prosperous. The prospects of a lawyer, doctor, or business man, for example, depend in no small degree upon the house in which he lives, the clothes he wears, and the automobile that he drives. Since human nature is what it is, one cannot avoid estimating the success of a business or professional man to a large extent by the external evidence, and, as men are quite aware of this, appeal to the instinct which underlies this human tendency to display oneself may be made with assurance of its moving power.

Much depends, however, upon the way in which the thought is suggested. No man wishes to be told bluntly that these clothes or this house or automobile will enable him to make a better appearance than his friends, because of the implication that he is not now making a presentable appearance. Consequently, the manner of awakening the instinct of self-assertion is important. The deli-

cacy of persuasion is not usually understood by beginners, and even experienced salesmen often fail to understand the subtlety that is needed to implant ideas in the mind of the buyer. The prospect should be made to feel them rather than to have the thoughts explicitly expressed by the salesman. If the prospect can be made to suggest the ideas which the salesman wishes to impress, the latter can then proceed as though he were following the thought of the prospective purchaser.

Getting prospects to suggest ideas for a favorable decision is the acme of salesmanship, and it is here that salesmen commonly fail. Men are always pleased to find that their ideas are highly esteemed, because it gratifies their feeling of self-complacency. Consequently, appreciation is a tremendously potent factor in human behavior.

Salesmanship is persuasion, and it has long been known that the most effective method of winning assent to any proposition is to direct the conversation in such a way as to induce one's opponent to make statements which can be shown to be favorable to the point of view which one is trying to establish. A successful disputant admits as many of the objections of his opponent as possible. This device creates friendly relations and disarms one's adversary. Then, if, in addition, a man can show that even after making these admissions the argument still supports the view which he is trying to maintain, fair-minded men are likely to be convinced. And, of course, if one can use some of the statements of an opponent to justify the position which one is seeking to establish, the argument becomes so much the stronger.

To be sure, a salesman is not a disputant, but that does not affect these elements in the psychology of persuasion. The salesman is trying to persuade the prospect to purchase what he has to offer. A conversation follows, in the course of which certain objections are raised and some statements made which may be shown to be favorable to

the purchase. Instead of seizing the favorable statements and using them to support a drive for a decision, the wise salesman will frequently begin his new offensive by admitting as many of the objections as he can yield without jeopardizing the strategic position which he is trying to gain. The prospect has been, so to speak, on guard, but these admissions release the tension and permit him to relax. He is no longer on the offensive; indeed he is hardly prepared for defensive action, because the admissions have put him at ease. This is a sort of mental flank attack. The details of this attack will naturally be determined by the characteristics of the prospect. If we could read him with complete understanding the problem would be simplified; and writers on salesmanship have not been oblivious to this fact.

“Character-reading” looms so large in the minds of salesmen that it offers an exceedingly profitable financial field for those who wish to cultivate it. No expense is needed for the preparation of the ground. All that is necessary is to write a book and copies are bought as fast as they are run off from the press. One would think that the great variety of methods of character-reading—the innumerable and often contradictory signs of character—would arouse suspicion of the value of many of these copyrighted methods; but each system gathers its followers, and since there are enough salesmen, if they are fairly distributed in their purchases, to make each book profitable, the output promises in time to rival that of detective stories. It is a curious fact that salesmen easily fall victims to their own devices of salesmanship. They are excellent prospects for any system which offers rules for discovering what cannot be reduced to rules.

A few weeks ago the writer was lunching at a restaurant with some friends, and among them was a salesman who believed in the value of phrenology—reading character by the contour of the head and face. Of course each

salesman has his own peculiar style of this antiquated superstition, and the salesman at the luncheon offered to prove the value of his brand to his sceptical companions. Thereupon he proceeded to diagnose the mental characteristics of one or two of those who were sitting at the table. Of course he was fairly correct in his statements: who would not be after listening to the conversation of his "subjects" for half an hour? The present writer then offered to match this "character-reading" after fifteen minutes' conversation with another group, which the salesman himself might select. The base of operations was therefore moved to another table, where the men were strangers to the writer. After the introductions, conversation was much like the usual table-talk except as the new "character-reader" asked questions or suggested subjects which drew out the opinions of the members of the little group. Then the "plot" was exposed and the character-reading began. And, as any psychologist well knows, it was quite as accurate and detailed as the "readings" based upon phrenology. Indeed, whatever success present-day phrenologists display rests upon some equally simple mental exposure rather than upon the shape of face or head, or any other physical peculiarity.

There was nothing uncanny in the "reading" which the writer gave, for men do display much of their nature and personality as well as other characteristics in what they say when off their guard. Consequently salesmen will profit more from close attention to human behavior and its expression than from the study of phrenology, which was discredited long ago.

The reason, of course, for this wide-spread interest in character-reading is that ability to read men by means of any of the various systems would enable one to know the sort of individual with whom one is dealing. Therefore, it is worth while considering for a moment how a salesman may learn what he wishes to know about a man with

whom he hopes to do business. But, first of all, it should be emphasized that, like everything else worth while, the art cannot be learned in a series of half a dozen lectures. It requires the understanding of human nature, which is the most complicated commodity with which salesmen deal.

The more a salesman knows about the conditions of the prospect, his needs, hopes, and ambitions, the easier it will be to appeal to the instincts that will lead to decision. This knowledge will enable the salesman to allay the conflicts which are almost certain to appear in opposition to the purchase. The past conditions are quite as important as the present, because a man's early life often greatly influences his subsequent views and actions. A boy, for example, brought up under conditions which constantly impress upon him his social inferiority to the important people of his town or village should be dealt with quite differently from a man who was not subjected to this inferiority treatment. An early life of penury, again, is likely to give a man a wholly different view-point regarding expenditure and investments from a boyhood of comparative financial freedom. Many of these facts cannot, of course, be learned directly, but one who is accustomed to interpret actions and remarks can read in them much that will be of service in understanding character and personality.

In salesmanship it frequently happens that one cannot directly learn a prospect's views about matters that would influence his buying. Consequently, the prospect should be allowed to talk freely, and in the conversation much will be disclosed to one who is able to interpret.

The preliminary questions and statements of an intelligent salesman are of the nature of trial remarks. He is feeling out the prospect. This is the method of fortune-tellers, spiritistic mediums, and so-called mind-readers. They make statements and then observe the effect of what they say. Sometimes it is only hesitation or the ex-

pression of the man under observation that betrays agreement or disagreement with the statement or prediction of the "medium," but these purveyors of information from the world beyond have become very skilful in observation and interpretation. Their success or failure depends upon their skill, and if they do not learn to read the signs and get the cue for the next remark they soon must take up a more profitable line of business.

The writer has no thought of reducing salesmanship to the level of fortune-telling, but the tendency of people to betray their thoughts and feelings in answer to questions and statements is a matter of common psychological knowledge. Men do not intend to do this, but they cannot escape it. Their words or looks reveal the truth or falsity of what is said, as they view it, and their view-point is, of course, the criterion in fortune-telling as well as in salesmanship. An illustration from a true story will show how easy it is to get information from others, and then to give it back as coming from unknown, mysterious sources.

During the World War an English magistrate was confined in a Turkish prison camp. All of the prisoners were educated men who were accustomed to exercise considerable care in their language, yet they betrayed their thoughts and feelings as freely as the uneducated. The former magistrate, following the custom of the prisoners to furnish entertainment for one another, staged an ouija-board performance. He said that the writing was done by "spirits" who communicated the information which he gave. Meanwhile the "medium" carefully noted the questions and remarks of his fellow prisoners and made the ouija-board give back to different individuals the information which each had unintentionally given him in the course of their conversation. So successful was the séance that all of the men were convinced that the writing was really the work of spirits. Who else, they said, could have known the secrets which they naïvely thought were concealed within their

own minds. And yet these men gave the performer all the information that he used.<sup>1</sup>

This human tendency to betray one's innermost thoughts and feelings, to "give oneself away," is of the utmost importance in salesmanship, since it enables the salesman to judge the effect of his statements and, consequently, to drop arguments that are not effective. As he feels his way in the preliminary interview, he observes the manner in which his statements are received, whether they are accepted or rejected. And thus the skilful salesman "feels out" the vulnerable points of attack in his prospect.

This is also the method of military commanders. They "try out" the enemy at various points to see where they are weakest, and having learned this they concentrate their attack upon the most vulnerable position instead of hurling ammunition and men against an unassailable part of the line. And it is also the method of men skilled in persuasion.

But the unskilful salesman, the man who knows nothing about psychology, uses the "hit-or-miss" plan of approach. He is quite likely to employ the frontal method of attack, going "right at the point." And he brings up one division of his forces after another in his effort to break the line, but all to no effect, because a frontal attack is rarely successful. It is usually the best intrenched position of the enemy. But, like the inefficient military commander, the unskilful salesman continues to bombard the line in the hope of breaking through.

A successful commander finds a weak spot and takes the enemy off his guard. The intelligence service of such a general has given him information of the strength of the various positions, and he attacks where not expected. Frequently, a salesman can also use an intelligence service. Through inquiry and in various other ways he can learn much about a prospect who, in this case, is his friend

<sup>1</sup> Those who are interested should read *The Road to Endor*, by E. H. Jones.

and "enemy." But at all events he must feel his way by questions and statements, always observant of the answers to the questions and of the effect of what he says.

An instructive incident of a somewhat different sort from salesmanship, but which nevertheless shows the importance of letting a man talk until he reveals his point of view, recently came to the writer's attention. A bill to eliminate the word "reputable" from the requirements of recognized medical colleges was before the governor of a State for approval. A strong but unsuccessful effort was made to persuade the governor not to lower the standards of the medical schools of the State. And the reason for its failure was the early life of the governor. He was brought up in a small town without any of the advantages that would enable him to see the need of special training, and yet he had reached the high position of governor. Why should not the same be true in medicine? Why should not one medical school be as good as another if the students have the "right stuff" in them?

Now those who wanted the governor to veto the bill which eliminated "reputable" from the requirements of medical schools had something to "sell" just as truly as do those who offer dry-goods or groceries. They wanted to sell him good medical schools, and they lost the sale. Why did they fail? Because they did not know enough of the early life of the governor, and the opinions which grew from it, to adapt their appeal to the situation.

By letting prospects talk freely one may discover the impulses that dominate their actions. The writer is not trying to distinguish between native and acquired traits—between instincts, on the one hand, and impulses, on the other, which have arisen through the early environmental conditions of the prospect. For the salesman this distinction is unimportant, since both native and acquired impulses exert a dominant control. The salesman wishes to understand the mind of the buyer because this knowledge

will enable him to adapt his approach to the characteristics of the individual and thus secure his attention and arouse his interest.

Objectors—those who refuse to buy and proceed to tell why they will not—are the bane of inexperienced salesmen, but to a thoughtful man objections should be welcome, because they indicate the mental attitude of a prospect. By overcoming objections a salesman shows that the difficulties do not have the force which they are thought to have; and this contest of wit gives zest to those who view it as a great game of unexpected plays. The man who will not talk is the hardest man to deal with, because he does not expose the weakness of his defenses. But here again is a chance for a versatile salesman to show his skill. Some point of contact should be found, some mutual interest that will serve as an entering wedge to pry open the taciturnity of a silent prospect.

A salesman, therefore, should learn as much as possible about the prospect's affairs and interests before seeking an interview. This advance information gives inside knowledge not only about the business of the man but also about his interests outside of business. What games does he play? Is he interested in hunting or fishing? If he goes to moving-picture shows, acquaintance with one or two of the cinemas running at the time will be helpful. The purpose of this knowledge is, of course, to bridge the threatening gap that must be negotiated before the business of the call can be reached. With inexperienced salesmen especially, the few minutes that intervene between entering the office and talking business are the most trying moments. And much depends upon the introductory remarks. Sometimes the sight of a bag of golf-sticks, or some other object, in the office that betrays the prospect's way of taking recreation, or his interests when business is forgotten, will furnish a clew to the best way of securing spontaneous attention.

A writer on salesmanship has recently advised that the buyer should be kept on the defensive by questions which should be answered with other questions. But this is a poor philosophy of salesmanship. The questions of salesmen, like their statements, should have a reason behind them. Questions merely as questions serve no other purpose than to confuse, and confused thoughts do not lead to a favorable decision. The purpose of questions asked by salesmen, as we have seen, is to discover the thoughts and feelings of the prospect; and a query of a prospect should be answered by a further question only when additional information is desired. Such a case is illustrated by a man who, thinking of buying an automobile, asks when it can be delivered. Now it would be bad salesmanship for the agent to say: "The heavy demand has put us behind. Consequently, we shall not be able to make this delivery for a month or six weeks." There is, of course, a tendency to make this reply in order to impress the prospect with the great demand for the car which the salesman is offering; but it is poor salesmanship, because the prospect may think that he wants immediate delivery. A question or two, however, will reveal the buyer's thoughts and wishes. Immediate possession may be wholly unnecessary. His present car may not be running well and he is irritated. Thus, having learned his state of mind, the salesman meets his troubles in the way best suited to the needs. Here, as elsewhere, the question has a purpose. Then statements, not questions, follow.

Observe, again, that it is always a matter of stimulus and response. The salesman asks a question or makes a statement, and the prospect says something in reply. This reply is then the stimulus for a further question or remark by the salesman. In this way the conversation proceeds, the salesman constantly getting more insight into the mind of the prospect and always using the information thus obtained to promote the sale.

We must not forget, however, what was emphasized in an earlier part of this chapter; namely, that what is said by the salesman is only a small part of the stimulus to which the prospect replies. He responds to the whole situation. We have already named a few of the factors in a salesmanship situation—the voice of the salesman, his reputation together with that of his firm, his general bearing and personality. It is impossible to name all of the elements that make up such a situation because many of them are peculiar to the moment. Something out of the usual order, perhaps unexpected, is likely to happen and completely alter the situation. And when a sudden change in the conditions occurs, the adaptability of a salesman is severely tested. All rules are then useless, and everything depends upon the ability of the salesman to readjust himself to the new situation which has unexpectedly arisen. This is one of the moments when his knowledge of psychology and his tact are especially useful.

At the outset the salesman does not know what sort of a response a given statement or question will bring forth. This is true even when no disturbing factors complicate matters. But shortly, as a result of the conversation, he should know what response to expect. His statements and questions have brought out certain replies which indicate the general attitude of the prospect toward the purchase. Objections have been made, and the ideas as well as the feelings of the prospective buyer have been made clear, if the salesman can follow the cues and interpret the replies and facial expression of the prospect. Interpretation of his attitude toward the proposition and the ability tactfully to meet objections, and even hostility, strain a salesman's aptness in quickly readapting himself to new conditions that arise.

Sometimes the situation is suddenly and unexpectedly altered. A friend of the prospect appears; or perhaps it is a stranger who wishes to transact business or consult with

him. Such an alteration in the conditions of a situation is likely to throw everything into confusion. The prospect may have reached the point of a decision when the interruption occurred, and when he is ready again to continue the conversation the thread of the discussion has been lost. What should be done under these circumstances depends upon many variable factors. Consequently, no rule can be given. The prospect himself may take up the conversation where it was dropped and thus help the salesman to proceed along the lines which he was following. This assistance from the prospect, however, is improbable, since a man whose mind has been active in other ways during the interval, and perhaps somewhat disturbed besides, is likely to lose sight of the points which the salesman made, even though during the earlier conversation they seemed convincing. These unexpected disturbances in the midst of a sales talk are a severe test of the versatility of a salesman. He must, so to speak, recover the ground which he captured during the preliminary attack, but which was lost on account of the interruption. While, as we have said, no rule can be given, a good general principle to follow is to renew the conversation by repeating something which the prospect himself said just before the interruption occurred. Aside from picking up lost threads, renewing the subject from the standpoint of the buyer has the advantage of starting from admitted facts. Suppose, for example, that the prospect had been saying that some of his competitors, without giving as much value as he was offering, were nevertheless forging ahead because they were making a social display which gave the appearance of success. The salesman, then, quoting this remark of the prospect, may say something like the following:

“You were saying that the street on which a man lives and the sort of house which he occupies bring him trade because people think that he must be doing a good busi-

ness, and they want to trade where others of their class go."

Or, if it is a matter of window display, the salesman, again, may quote the prospect as follows: "You were saying that your competitors get trade for inferior articles because they are attractively put up and show to advantage in the windows. Now these goods, as you see, will make a striking display either in your windows or on the shelf, and, in addition, they are of a superior quality. Your customers will not be disappointed in them." The methods of awakening interest, securing attention, and producing a decision are as numerous as the versatility of the salesman permits.

In rare instances the salesman, looking toward interest and attention in the future, has dressed the window of a customer. It should be remembered that a salesman is a creator of good-will for his house. He is not merely selling goods. A salesman who does not appreciate and act upon this principle is not yet out of the salesmanship kindergarten.

Now the statement that very few merchants in small towns are competent to dress a window attractively needs no argument. Any one who has travelled outside of cities has noticed the general lack of taste. And it will also be admitted that these retail merchants would appreciate assistance. Consequently, the question which the writer wishes to raise is, would it not be a profitable expenditure of time for a salesman occasionally to dress the windows of regular or prospective customers?

The objection from the view-point of a salesman is that this takes time, and he is expected to sell goods. The answer, however, is clear. The salesman may not sell as many goods on his first trip through a territory, but he will establish relations of friendship which later will greatly increase his orders. A merchant for whom he has done this service will be a ready customer on the following trip.

And if, as a salesman would naturally do, he should instruct the owner or a clerk in the art of window display, time would not be lost in repeating the work on subsequent trips.

From the point of view of the house, on the other hand, it would be a decidedly inefficient sales manager who would not appreciate the good-will created by such friendly acts, even though they delayed the salesman at times in covering his territory. Good-will means more than sales, because it includes these and much besides.

An actual case similar to what the writer is advising was recently reported from a St. Louis fur house. One of the salesmen told his manager that many of his customers had so little knowledge of furs that they could not distinguish dyed cat's skin from seal, and he advised the firm to send a man out to teach country merchants the difference between furs. The plan of this salesman was that the instructor should stay as long in a town as was necessary. The manager replied: "Instruct them yourself. If your plan works, your sales and commissions will increase." The salesman tried it, sometimes spending a week in a town; but he quadrupled his sales. In addition, he won for his house and himself the good-will of many retail merchants. The permanent success of a salesman comes from the success of his customers in their community.

Making a sale by securing the temporary attention of the prospect may be a short-sighted policy. Salesmen spend hours, and weeks, trying to learn how to sell to unwilling prospects, but it rarely happens that they receive instruction in creating future trade. The value of the sale at the moment has been overworked, and the establishment of good-will that later brings orders without the asking has not received the attention which it deserves. Doing favors that make a salesman a welcome visitor is worth more than a large order, because this friendly attitude means many future orders.

Securing attention, awakening interest, creating desire, and closing the sale are usually treated in books on salesmanship as though they were separate processes. But, as a matter of fact, these so-called steps in salesmanship are not distinct processes that follow one another in a given order. Securing attention, awakening interest, and creating desire merge into one another. There is no line of demarcation between them. They are all parts of the one selling process, but they are treated separately in order that the manner of producing and developing them may be understood. The "approach," again, is only the beginning of securing the attention and awakening interest.

The young salesman who regards these several steps as separate and distinct from one another is certain to develop an artificial manner that will be fatal to successful salesmanship. Such a salesman will await the proper time to awaken interest, while, as we have indicated, getting the attention of the prospect and creating an interest in the purchase are actually a part of the approach. All of these factors or steps in salesmanship mingle in the complete act of making a sale.

One reads, again, in books on salesmanship, of the "psychological moment" for closing the sale. Yet, actually, there are many psychological moments which the skilful salesman acquainted with human behavior will discover. The moment for closing the sale may come immediately after the approach has been made, and the salesman who thinks that he must go through all of the steps will then miss his chance and perhaps lose the sale. The psychological moment may come several times, but, again, it may occur only once; and if that single moment has been missed, the only opportunity for closing that sale has passed without the salesman knowing how near he was to taking the order. And later he wonders why he failed.

Chester S. Lord, in *The Young Man and Journalism*,<sup>1</sup>

<sup>1</sup> Macmillan.

tells the story of a lad who applied for the position of reporter on a New York daily, and the incident shows how quickly the psychological moment may come. The young man was trying to sell himself to the city editor. "His manner of approach was pleasing to the man who was thinking of hiring him. . . . His conversation was direct and to the point. He didn't make extravagant talk about his ability. . . .

"All right, report to-morrow at one o'clock," said the city editor, and Jenkins left the office in a daze with a job. He had been trying for three days to get one, and the interview that landed it had consumed not more than three minutes. . . . Jenkins did not waste the time of the city editor on non-essentials, and it was to be presumed that he would be as businesslike with those with whom he came in contact later as a reporter. Jenkins also had personality. He acted as though he meant business and realized that newspaper work was pleasant, but not play."

Perhaps we have in this story some of the essentials of salesmanship—straightforward, plain talking that goes right to the point and inspires confidence, honesty with oneself as well as with reference to the thing that one is trying to sell, no extravagance or bombast, just honest dealing between man and man.

Evidently, getting attention, arousing interest, creating a desire, and producing a favorable decision, even in apparently simple situations, are not easy, because one is never quite sure whether it is best to go directly to the point or to arouse the interest of the prospect indirectly. And then again, after the attention has been secured, the sort of sales talk that will be effective will vary with different types of men. In the case just cited the approach was clear because a newspaper editor during business hours is usually working under pressure. This is also true of the chief executive of any large business, and for this reason a salesman should know the problems of these men that

he may state his case concretely, without the annoying generalities which are so irritating to a busy man. With other prospects the manner of approach is more problematical, and will be determined by the salesman's comprehension of the situation. In certain instances, as we have seen, it is better to delay talking business until the salesman has won the confidence of the prospect. These variations show that no situation is really simple.

Of course, there are those to whom everything looks quite plain, but they are the ones who cannot see problems. The revolution of the sun around the earth was self-evident in early days to those who took only a superficial view. And it is the same with salesmanship. Those to whom everything is simple are the incapables who cannot see far enough into selling situations to discover the obstacles. But there are others who know that things are easy only for the informed—that simplicity and complexity are relative terms depending on the knowledge and intelligence of the observer. These men look below the surface. They search for causes, and in the field of salesmanship they know that there are always motives for action. It is this search for human incentives that takes monotony out of salesmanship and makes it worth the best efforts of men.

But let us continue along the psychological path and see what further discoveries we may make.

NATIONAL INSTITUTE OF INDUSTRIAL PSYCHOLOGY

## CHAPTER II

### CREATIVE SALESMANSHIP

THE writer endeavored in the preceding chapter to describe some human characteristics which salesmen should know and to which they should adapt themselves. If they are to be more than dispensers of goods to those who, like newly hatched birds, are waiting to have something dropped into their voracious mouths, salesmen should learn how to adjust themselves to situations and to men. The salesman must be prepared not merely to sell to willing customers, he must, in addition, create a demand.

"I am tired of getting letters and personal reports from my salesmen saying that the merchants in their territory are not interested in some novelty which we are trying to put on the market," the president of a large manufacturing and jobbing house recently remarked to the writer. "We don't expect the trade to be interested. It's the business of the salesmen to interest merchants."

Interest, as we have seen, is a psychological problem, and in our study of the psychology of salesmanship we noted some of the human impulses which must be taken into account in the effort to secure attention and awaken desire. We noticed certain characteristics of men, the way in which an observing, reflecting salesman may penetrate the thoughts and feelings of the prospect, the manner in which mental obstructions may be removed and resistance overcome, and the significance of instincts in behavior. But always and everywhere we found the law of cause and effect operating; and we discovered certain rather definite principles of human behavior.

We learned also that these principles of behavior are not superficially visible. They cannot be discovered by a

casual glance, or by unreflective observation; and they are not revealed through experience as the salesman ordinarily understands this word. A man draws dividends on what he sees, hears, and lives through, in proportion to what he has put into these experiences. Dividends are paid only on investments. This truism is so evident that the reader will doubtless wonder why such an obvious statement is made, but the reason is that its validity has been accepted only in financial matters. The belief is rather wide-spread that in statecraft, salesmanship, and human activities generally, interest can be drawn without investment in the knowledge upon which dividends are paid. Salesmen commonly think that they can clip coupons of business acumen and alertness by merely going through certain mental gestures. The gestures consist in reading a few books on salesmanship, one or two volumes which, by courtesy, are called psychology, and ending with a course in character-reading. In other words, salesmen invest in wildcat bonds and then wonder why their coupons are not accepted and paid after the first flurry of marketing the securities has passed.

Experience is like any other investment; there must be something behind it, something that represents value, and that something is knowledge. A moment's reflection will show that to be of any worth experience must be interpreted; and that criticism—interpretation—to be of value should be based on something more reliable than previous uncriticised experience. The trouble with "experience," too commonly, is that it is both defendant and judge.

The "practical man" interprets new experiences by his earlier ones, a method which is like trying to lift oneself by one's boot straps. As a result of former experiences, a man has formed certain habits of thought, acquired definite, fixed convictions, and has come to certain conclusions. These habits of thought create a strong preferential bias in favor of the conclusions associated with them, and an

unconscious antipathy to opposing opinions. Later he measures the value of a new experience by the same habits of thought, the same convictions and conclusions which he has thus acquired. Of course the measurements will agree, since such a man uses the same personal yardstick, but these measurements are inaccurate, because the wishes and desires derived from his first experience determine the length of his yardstick for future experiences, regardless of the measure used by other people. This explains why the experiences of two business men often disagree. They use different yardsticks in making their estimates.

Consequently, we find business men differing with regard to the value of using a cost system and about the wages that should be paid stenographers, clerks, and office assistants. "You pay your office help twice what I pay," remarked one business man to another, in the presence of the writer. "I know it," was the reply, "and my office force is four times as valuable as yours." Their measure of experience was different.

A few of the more alert business men are beginning to see that experience is what they make it, that its returns depend upon their investment in study, investigation, and reflection. These men have found uncriticised experience so wasteful that they have become suspicious of it. They realize the difficulty of getting an objective, impersonal view of events in which they have vested interests. "After forty years of failure and success in business," said the president of a large corporation recently to the writer, "I have come to the conclusion that experience is always an expensive and frequently a worthless teacher."

Salesmen, in common with many business men, have clothed experience with mystical powers of wisdom, and they make pilgrimages to its shrine when in doubt regarding the wise action. These men make experience their supreme object of worship just as the ancient Greeks consulted their oracles, and often with quite as unfortunate

results. Business houses almost without exception make salesmen the teachers of beginners because of the experience which these salesmen have had. And so the vicious circle of the fetich-worship of experience continues its merry and unproductive whirl. But there is no progress in the movement of a circle. It does not get anywhere; it does not advance. A tangent line is needed, but a tangent is departure from the circular motion of experience, and the oracle says: "No, stay within the safe circle which has been revolving in the same way for so many years." It is always dangerous to leave the circle, but advancement and achievement require it.

The result is that salesmanship is still a poorly organized art, based largely upon appeal to the emotions, or to the cruder, less commendable impulses of man. The social influence of money, for example, the desire to break into a social group without getting the educational and cultural background that will fit one for it, the attempt to attract attention, or gain business by ostentatious display of things that money can buy, are not appeals which the better class of salesmen can use to advantage. Even the appeal to suggestion instead of reason is often accompanied by the knowledge that one is persuading a prospect to buy something which he should not purchase, and which in his later, calmer moments of reflection he will regret buying. This effort to "work" prospects does not attract the best type of men. Salesmanship is too necessary and honorable an occupation to be sullied by insincerity, but it will not win the respect which it deserves until salesmen make the interests of the prospect their first consideration. Both salesman and purchaser should profit by the transaction, for in the long run service pays in business as it does in other affairs of life.

Many sales manuals and talks, again, are of the inspirational sort that strive to stir to action the latent energies and emotions of salesmen. Now the writer has no wish

to underestimate the value of inspiration, but one must have something about which to get inspired before the emotions and energies of man can be kept for any length of time at a creating level of activity. "Get enthusiastic over what you are selling," cries the orator at the sales conference. But it is pretty hard to bubble for more than a moment over hosiery, shoes, coffee, or sewing-machines.

If inspiration is to be anything more than the popping of a soda-water bottle, there must be something more than effervescing ingredients inside of a man. A salesman whose sole interest is the goods that he is selling is slowly disintegrating from dry-rot in his cerebral cortex. He should have something that he is trying to accomplish, with selling goods a means to an end. Understanding situations, watching the changes which they undergo, studying the new facts which arise out of evolving conditions, observing the alteration that the selling situation undergoes because of interaction between himself and the former situation, and varying his response to meet the changing conditions—all of these are interesting intellectual problems over which a salesman may well get enthusiastic, whether he is selling dry-goods, groceries, or shoes.

Too much has been written in sales manuals about bringing the prospect to a decision; and the effect of this emphasis upon the final act of taking an order is detrimental to beginners who get the notion that the decision may be hurried. Men resent urging when making a purchase because it gives them the feeling of being forced, or of seeming of too little importance for much attention from the salesman. No one likes to be driven, for, aside from the internal turmoil which it creates, the feeling of being forced to a decision impugns one's intelligence, and the moment a prospect thinks that the salesman does not respect his opinions the sale is off, not only for that day, but for all time, so far as that salesman is concerned. Salesmanship is a fine art for those who would be more than purveyors

of goods. *The psychological method is to help men to reach the decision which will end in placing an order.* But to do this, one should observe what is being said more closely than is usual to-day, when talk is rapidly supplanting conversation.

The writer is quite aware that it is easy to say that prospects should be aided rather than forced to come to the conclusion which the salesman wishes them to reach; but the application of this principle is not so simple. The reason is that no two situations or experiences are alike. Two prospects are never the same, and consequently the appeal must be altered to suit their varying natures. Since salesmen also differ, a new situation arises whenever two men meet. And further, the moment the conversation between prospect and salesman begins, the situation has changed, and this alteration continues until success or failure has ended the salesmanship game. Conditions are never static, situations are always changing; there is continual movement, forward or backward, in any exchange of wit. The first remark that the salesman makes produces a situation which calls for a response from the prospect, and the reply that the salesman made to the same response by another prospect is not suitable in the present instance, because the personality of this prospect, combining with the other factors of the moment, creates a wholly new human situation which demands a new response. This continual change in the conditions which the salesman must adequately meet in making his appeal shows the futility of rules.

Perhaps we may best understand the problem of producing a decision by classifying salesmanship under persuasion, as we did in the first chapter. We try to persuade for different purposes, and while the strategy may be the same the tactics will vary with the end in view and with the conditions which a particular situation presents. There is all the more reason for emphasizing this relation

between salesmanship and persuasion because some are inclined to think that salesmanship is unique, that it is in a class by itself. Yet a moment's reflection will show that it is only a special case of persuasion, and consequently any methods which are persuasive are applicable to salesmanship.

Persuasion means to convince, to lead to a conclusion; and action, of course, is the logical outcome of the decision that is reached. The method is argument or suggestion according to the nature of the subject under discussion and the sort of man with whom one is conversing. Certain topics require more argument than others. When facts and information are needed for settling a question the discussion quite properly takes the form of argumentation, or better, perhaps, the presentation of the facts which should influence the decision.

The similarity between persuasion and salesmanship emphasizes the conversational factor in the selling of goods, and the significance of this element in salesmanship becomes more important when one recalls that conversation is almost a lost art. Yet he who would succeed in selling must relearn this graceful accomplishment. Let us briefly consider some of its essential characteristics, mindful always of our theme of salesmanship.

"He would be a delightful conversationalist," was once said of Carlyle, "if he would only listen occasionally," and Coleridge is said to have discoursed for an hour to a group of friends on the value of silence. Were we to try to select the one essential factor in conversation—the one whose absence makes an interchange of opinion impossible—the ability to listen would probably be the unanimous choice. A wag with real psychological discernment once described man as the animal who tells his thoughts to others. But perhaps this wag did not have such insight into human nature as we have supposed, since the utterances of many could not by any rules of courtesy be called thoughts.

Thoughts imply knowledge made into judgments by reflection. They are the output of the factory in which raw materials, such as facts gained from observation or reading, are analyzed, compared, and examined, until their meaning is discovered. Opinions, beliefs, and principles are the products of this factory, but the goods are worthless if the materials are not carefully selected and the manufacturing process supervised. Without discriminative selection and supervision, the product is valueless for conversation, which is one of its social and business uses.

Every one is familiar with that curious confusion of words in which each participant monologues without reference to what the other is saying, because the mental machinery needs to be overhauled and put in order. Under these conditions there is no exchange of views, no give and take, no thoughtful reply to expressed opinions. Each one pours forth a vacuous exuberance of words from the oval cylinder terminating within a hot-air chamber unconnected with the brain.

"I would feel differently about the Klan if the members would take off their hoods," said Mr. Pipestem.

"It's amazing how Bolshevism is sweeping the country," replied Soapstone.

"Yes," answered Pipestem, "as soon as the women got the ballot they bobbed their hair, smoked cigarettes, and shortened their skirts so much that I am in danger of being run down by an automobile every time I see them getting onto a street-car."

"Our boys and girls have lost their moral anchorage; they didn't do such things when you and I were young."

"No," replied Pipestem pensively, as he turned abruptly to watch a bevy of girls climbing into a car. "We need to get back to the essentials of religion. There's something in fundamentalism, after all."

Information—knowledge—and ability to listen, that the point of remarks may be gotten, are essential to conversa-

tion. These factors are emphasized because they may be acquired. And the machinery of the thinking factory should be examined from time to time. We cannot replace deficient mental organs with standardized parts, but we can make those which we have do their best, and this will be no small addition to our business assets. We can make our memory serve our special purposes; we can acquire the knowledge which yesterday would have prevented us from distinguishing ourselves by stupidity; and we can train ourselves to refrain from talking until we have something worth saying. We will not then say so much, but the opinions that we express will have a higher market value.

Common sense is always above par, and is strong even when other stocks are slumping badly. But common sense cannot be bought on the stock exchange. It is thought by some that this desirable social and business asset is a part of our native intelligence, but investigations have shown that it is more common among those who have had good educational advantages. Untrained intelligence is often unproductive. Most boys and girls without an education have a better original mental equipment than they reveal in their later mediocre careers.

This view of common sense agrees with the effect of use and disuse in general. Biologists are attributing more value for survival to the use of organs than they did a few years ago, and education is only a technical word for the exercise of our abilities in preliminary skirmishes preparatory to the more serious actions that come later. Use—exercise—certainly promotes a healthy renovation of organs, both physical and mental, and disuse favors atrophy. Consequently, the training of one's common sense would seem worth trying as an interesting experiment in the adventure of life.

In any case, reading, listening, and reflecting will bring to the surface whatever sense one has, common or uncommon. Assuming that the salesman reads and reflects, lis-

tening will produce better social and sales results than much talking. The writer says this deliberately because he knows that salesmen feel the supreme importance of the sales talk, since it is in this that their training has consisted. The manuals are filled with what the salesman should say. No emergency is left unprovided for. If the prospect says this you are to say that; and if he says that you are to say this. But did you ever read in any of these manuals the advice to listen? Yet listening has immense value.

"If you just calculate the number of blunders a fellow can make in twenty-four hours if he is not careful, and if he does not listen more than he talks, you will know something of the feeling that I have," remarked Woodrow Wilson, as quoted by David Lawrence in *The True Story of Woodrow Wilson*.

"He is the best listener that I ever talked with," a visiting scientist once said of Charles Darwin. Perhaps a good part of Darwin's skill in meeting arguments opposed to evolution lay in his ability to listen, for by hearing the objections which others offered to his theory of natural selection he prepared to answer them. At any rate he thought these objections important enough for preservation. Consequently, he wrote them down lest he forget them. And later he reflected upon these objections to see whether they were valid arguments against the proposition which he was offering. He knew the value of listening during a conversation because of the facts and objections which he might hear. And, whether Darwin realized it or not, one who listens is rated highly on the intelligence scale by the man who is permitted to do most of the talking.

It should be remembered that Darwin had something to "sell." And he was up against the hardest selling proposition that any salesman ever faced. He had to open a wholly new territory. Few of those to whom he hoped to sell had ever heard of his line of goods. And he had no

house of recognized reputation behind him. Yet he put his wares on the market and advertised them, or rather the advertising took care of itself, since he got all of the free newspaper space that he needed. In fact, he was given more than he wanted, because the daily press made fun of his goods. Monkeys were prominently featured, and a monkey is not a very good backing for a salesman to start with.

You see the opposition that Darwin had. He gained a hearing by patiently accumulating facts in support of his product, and by stating them clearly without arousing unnecessary antagonism by bitter opposition. Darwin never tried to make a sale by disparaging the product of competitors. He never made exaggerated claims. He was always modest in his statements. He never used the hurrah method in selling his goods.

Like many other business men, Darwin had trouble in finding successful salesmen. He enrolled one in his service, however, who was worth a thousand ordinary agents. Thomas Huxley could meet all men on an equal footing. He could use suggestion so gently and sweetly that the recipient was charmed with the goods which he displayed. Again, if the prospect was of the argumentative sort, Huxley would argue in his inimitably winning manner. But when he met a man who was abusive and violent in condemnation of his wares, he could respond with such good-humored retaliation that, if he did not induce his antagonist to buy, he sold to many of those who came to hear the exchange of arguments and brilliant wit. Huxley was a great salesman who did more than any other one man to "sell" evolution to the masses who could not quite grasp Darwin's less popular demonstrations.

All great discoveries that antagonized fixed beliefs have in time found salesmen who demonstrated the goods which the discoverers themselves were unfitted to popularize. If the right sort of salesman was not obtained the discoveries

did not sell. A long time ago, for example, Galileo gathered a crowd of prospects in front of the leaning tower of Pisa to watch him drop objects of different weights from the top of the tower. He used a half-pound weight and a hundred-pound cannon-ball. Of course, these weights reached the ground together, but Galileo did not make a sale because the monopolistic competition was too strong. His competitors had vested interests in the Aristotelian doctrine that the velocity of a falling body is proportional to its weight, and they convinced Galileo's prospects that there was some trickery in the business. Consequently, famous as was the experiment of dropping iron balls of different weights from the tower of Pisa, the people laughed at him, because they knew that a pound of lead would fall quicker than a pound of feathers.

Galileo failed because he was an investigator and not a salesman. Consequently, he could not get his goods marketed. And he failed again when he tried to sell his telescope—not for money, but for the good of science—by letting a selected group of distinguished citizens look through it and see the satellites of Jupiter. Galileo thought that only facts and arguments were needed to sell goods of guaranteed quality, but he was so greatly mistaken that at the end he was compelled to deny publicly everything which he had said about the value of his wares. His competitors, Aristotle, Moses, and the church fathers, had monopolized the market, and their stockholders would not let him do business. The vested interests not only compelled him to say that his goods were worthless, but, in addition, they put him in prison and made him repeat penitential psalms as punishment for trying to break their hold on the market. These stockholders were looking beyond Galileo. They wanted to frighten any others who might be thinking of competing with them, and they succeeded for the moment because Descartes burned the manuscript of one of his own books so that the monopolists

might not have the satisfaction of doing it publicly. If Galileo had only had a good publicity agent he might have aroused the people against the tyranny of the monopolists and saved Descartes's book *On the World* for us.

Another discovery, at a later day, was saved without loss of time by good salesmanship. When it was found that chloroform would put people to sleep and enable surgeons to perform operations without the suffering which patients had previously endured, the good Christians of that day protested vigorously. Pain, they said, was God-given, and any attempt to relieve it was an attempt to thwart the Divine will. But James Simpson, a Scotch physician, was a good salesman. He knew that argument would be useless, for facts rarely change the fixed opinions of men. So he decided to sell anæsthetics to them by admitting their argument while showing them that in one case at least God himself had used an anæsthetic, perhaps the very one that surgeons were then advocating. So Doctor Simpson said: "My opponents have forgotten the twenty-first verse of the second chapter of Genesis. It is the story of the first surgical operation ever performed, and that verse proves that the Maker of the universe, before he took the rib from Adam's side for the creation of Eve, put Adam into a deep sleep." Doctor Simpson's salesmanship was successful, for every good Christian said: "Why, that is true, and it is strange that we didn't think of it." So anæsthetics were put on the market.

This distinction between ways of presenting facts shows that the manner in which information is given is important. Facts may be presented in such a dogmatic, brutal way as to cause severe distress, or, again, they may be inserted in the mind of the prospect so gently that he is hardly aware of the substitution. It is the difference between an operation performed by a skilled surgeon and a butcher. The butcher could probably do the work, but the result would be different. And when the transplanting

of ideas is unattended by a mental shock their influence is the greater.

It may seem strange to the reader to learn that new ideas can cause pain, yet the sudden destruction of a fond belief may cause keen suffering. And the belief whose destruction has wrought such havoc may be only a cherished conviction about a particular make of a motor-car. Naturally, the irritation caused by such mental disturbance is not favorable to consummating a sale, and it was to avoid creating this mental congestion that psychologists worked out the plan of transplanting ideas during twilight sleep; namely, through suggestion.

Suggestion is the painless insertion of new thoughts and ideas in the mind of the one with whom one is conversing. The transplantation should be performed while the patient is off his guard, and the operation is much more delicate than is usually supposed. Great care should be taken to avoid lacerating connected opinions and convictions. Old, well-established ideas are firmly attached in the mind, and they are connected with one another in such a way as to form, for their possessor at least, a consistent whole. Like the organs of the body, they are joined together so that the greatest care must be taken not to injure related ideas while removing one or transplanting another. The inexperienced salesman, like the unskilled arguer, ruthlessly operates upon what he considers a false arrangement of thoughts, quite unmindful of the fact that these ideas form a consistent, logical system to the man who has them. It must be remembered that consistency, logic, and truth are personal matters. What is false to one may be true to another. But the unpsychological salesman, anxious to establish the truth of his point of view, and oblivious of the grip which the old ideas have upon his prospect, proceeds to put thoughts into him in much the same way as a novice would transplant a tree. He tears away whatever does not seem to him, in his inexperience, essential to the

new growth, and, like the green horticulturist, he lacerates the new plant while failing also to provide a suitable soil for its growth.

Ideas, like plants, require a well-prepared soil. If a man believes that the Studebaker automobile has points of advantage beyond any other machine, you cannot convince him to the contrary by merely throwing facts at him. The first essential for a change of view is to ascertain the reasons which underlie a prospect's conviction that a particular machine has superior points. Then, having learned the reasons for his belief, you are prepared to offer refuting arguments to meet his opinions. But even then it would be better, for the moment, not to refer to the automobile which you hope to sell, since to emphasize your machine suggests a personal bias that may awaken suspicion of your good faith.

Suggestion, you see, requires a skilful touch. Merely hurling facts at a prospect is bombardment rather than suggestion. Persuasion requires that objections be allayed, and this demands insight into human nature in general and knowledge of the individual characteristics of the prospect in particular. It is a process that cannot be hurried. Thoughtful observation and interpretation of the remarks and facial expression of the prospect are necessary, as well as tact in meeting his objections, some of which are expressed while others are vaguely felt. Fitting the new ideas unobtrusively into the old so that no conflict arises is the difficult part of suggestion.

Merely offering a suggestion is easy. Any one can say that a particular mechanical device in the sewing-machine which he is trying to sell gives his machine a great advantage over others, but the trouble lies in getting the suggestion accepted. The prospect may have notions of his own about machinery, and his opinions must be taken into account. Whether he is right or wrong, the starting-point must always be the ideas which the prospect holds. If he

is wrong his notions should be corrected from the viewpoint of mechanics without reference to the advantage of the machine which the agent represents. Salesmen often commit the error of continually referring to the superiority of their own goods. And this emphasizes their biased mental attitude.

The basis of a conversation between a salesman and his prospect should be the principles underlying the question of purchase. What the prospect will buy should be allowed to take care of itself. The important questions are, first, should he buy an article of any make of the sort that you carry, and second, assuming this question to be answered in the affirmative, what should determine his selection? That the goods or article which the salesman represents will be finally chosen should be tacitly assumed.

It will be seen that appealing to the intelligence of the prospect by basing the conversation upon the wisdom of his choice, satisfies his self-esteem, and all men, whether intelligent or not, like to be treated as though they have brains. This is not always easy, since each individual, quite unconscious of his own variation from others, is prone to make his own ideas the standard of comparison. However much one's own opinions may differ from the view of other "sane" people one nevertheless looks with pity upon the erring judgments of those "who cannot think straight." "There is only one criticism that I have to make of California," remarked a theosophist recently, "and that is the large number of people with curious religious beliefs." And, again, a Mormon, entertained at dinner in the writer's Western camp, remarked that he was a missionary of the true faith. When told that he had better get busy, since he had a tough prospect to convert, the Mormon, evidently wishing to relieve his host of embarrassment, naïvely said: "Oh, don't apologize. We meet all sorts of queer people on our journeys, and you haven't had a chance."

The divergence of beliefs seen in these stories from life illustrates variations in the thinking of "sane" people, and, since they are only examples of the many different opinions which might be cited, they show that ideas may unite in almost any conceivable manner, and that the thoughts resulting from such combinations are quite natural and convincing to the one who holds them. Whatever might be accomplished by a flank movement, these honest people cannot be driven from their stronghold of belief by a frontal attack. They believe that they think rightly and that others err. Whether another line of ideas and convictions could be "sold" to them is a debatable question; but at all events a sale cannot be made by treating them as though they were unintelligent. This is a fact which salesmen frequently overlook, and it is one of the things which the writer had in mind when he said above that prospects should be helped to come to a decision instead of being forced. "It is so stupid to be unintelligent," said a believer in ghosts recently. And he was right, but the determination of who is stupid depends upon the ideas and their arrangement in the mind of the one who answers the question.

Salesmen would do well to study the history of scientific discoveries. They would then see salesmanship at its best and worst, and it is from extremes that we get the clearest vision of principles and methods. They would also learn that there was no demand for many inventions because their salesmen could not understand the situation with which they were dealing. They overemphasized certain factors in the selling conditions and did not see the relations between these factors. Consequently, they missed the meaning—the significance of the problem. They could not visualize the total situation. They overlooked the forest because they saw only trees.

Newton's *Principia*, a pretty tough mathematical treatise, was one of the "best-sellers" for nearly one hundred years

previous to 1789. During that period eighteen editions were published, and it received much free advertising. One volunteer publicity agent wrote *A Plain and Familiar Introduction to the Newtonian Philosophy in Six Lectures designed for the use of such Gentlemen and Ladies as would acquire a competent knowledge of this Science without mathematical Learning*. This book was evidently written as an advertisement for the sales talks which the author was prepared to give for satisfactory remuneration, since he added to the title of the book that those who attended his lectures would find the mathematics and philosophy both easy and entertaining.

This *Newtonism for Gentlemen and Ladies* was evidently a great success, since five editions were published in fifteen years. The author seems to have had quite as good success in selling his Newtonian philosophy as the Freudians have recently had in marketing psychoanalysis to women's clubs.

Pasteur, again, though unable himself to market his notion of microbes, found a remarkable salesman in Doctor Lister, who, in his hospital wards, demonstrated the value of antiseptic treatment. It was a hard battle against stubborn ignorance that Lister fought. Even the friends of the new treatment were not always helpful in the "sales talks" which Lister arranged in his efforts to sell antiseptics to the medical men. One of the trials which continually vexed this master salesman was the difficulty experienced in teaching surgeons how to use the new article. The entire method of treating wounds had to be changed, and surgeons were impatient at the expenditure of time and care. It is the old story with which salesmen are quite familiar—the difficulty of altering the habits of thought and action which a wholly new procedure requires.

In our own country the antiseptic treatment found an unusually skilful salesman in our genial Doctor Oliver Wendell Holmes. Fortunately his competitors used bad salesmanship, for they taunted Holmes with being a "very

young gentleman" (which was true but hardly a fair method of meeting competition), and they called his follow-up letters to medical journals "the jejune dreamings of a sophomore writer," which showed that they did not know good English when they saw it.

But we must not misunderstand the statement that Huxley, James Simpson, Lord Lister, and Oliver Wendell Holmes were great salesmen. It is a rather common habit of speakers before salesmanship conventions to call great men salesmen without justifying their claim. Let us, therefore, face this question here. Why were these men able to create a demand for new ideas not only against the bitter opposition of competitors who appealed to the ignorant prejudices of prospects, but also against the wishes of the trade? No one wanted the goods that Huxley and Lister offered. Prospective customers had to be educated to buy them, and this, as every salesman knows, is the hardest sort of salesmanship. But why were these men great in the art which salesmen follow? Wherein did their salesmanship consist?

The answer to these questions will bring to light one or two basic stones in the foundation of salesmanship, and it will also show the futility of a superficial judgment of conditions. These men were not first of all salesmen. They never had a thought of salesmanship in the ordinary acceptance of the word. They were salesmen because they were intelligent men who saw an idea before it knocked them down. And they were able to judge a situation and to understand its relation to the various factors that created it.

This ability to interpret a situation is important because it presupposes intelligence, and no one is intelligent who cannot do it. A man may have learning without ability to understand events; he may even be enough of a salesman to hold his job; but without this capacity to estimate situations he is not intelligent, and will never become a

high-grade seller of goods. This is sufficiently important for further discussion.

Salesmanship, like behavior in general, as we have said, is a matter of stimulus and response, but what the stimulus will be that will call forth the response is as much a matter of intelligence as is the nature of the response itself. An illustration will make this clear.

A man is driving rapidly along the road and sees a railroad track ahead. There is no indication of danger, but the view in both directions along the track is obscured by trees and heavy undergrowth. Now this motorist may respond to the unobstructed crossing, step on the gas with the intention of dashing over, and perhaps be struck by the speeding limited; or he may take a larger, more intelligent view of the situation and stop in order that he may walk ahead to see whether the way is as clear as the first impression indicated. To be sure this care loses a little time, but it may save the man's life. One who uses caution in such a case sees and understands the whole situation; namely, the possibility of an approaching train, the danger of hasty, careless judgment, and the fact that gaining a few minutes is not worth the risk.

It will be noticed that the intelligence of the cautious driver added something to the outer, objective stimulus which was not necessarily a part of it. Perhaps it would be more correct to say that he saw something in the stimulus which another motorist might not have seen. This something which the careful driver added was his contribution to the raw, crude, objective facts. A stimulus is never merely the outside conditions. It is what we make it, what we see in it; and our interpretation of the physical phenomenon will depend upon what we have inside of us—upon our intelligence. In the present case the road seemed clear; there was no indication of danger, and besides, the superficial evidence was altogether favorable for a safe crossing. And probably it is a conservative statement to

say that nine men out of ten would have "seen" only a clear right of way and speeded on. But statistics show that a lamentably large number of those who act on superficial evidence are killed. Now let us consider a somewhat more complex example of responding to the situation as superficially presented, instead of attending to the details which often have varying degrees of importance in matters that appear, at first glance, much the same.

An industrial manager who tries to meet discontent in his plant by dealing merely and exclusively with the employees, instead of including in his investigations the conditions in the factory, is responding to only one factor in an enormously complex situation. This is what those managers do who meet a threatened strike by saying: "Go ahead and strike. We will fill your places with men who will accept our terms."

The "terms" may be only one of many reasons for the agitation. Working conditions involving many elements may be contributing their share to the dissatisfaction. The place for eating the noon lunch, the morale of the organization, the kind of foremen employed are only a few of the many factors that may contribute to discontent. The writer knows of two factories in which foremen are a constant source of irritation to the men, yet, in each case, the manager does not understand the situation. Like the man who dashes over a dangerous railway-crossing he sees nothing in the conditions which is not superficially evident. He contributes nothing to the interpretation. He sees only what a high-grade moron would notice.

A situation should be studied as a whole with thoughtful attention to the part that each contributing factor plays in the total outcome, instead of responding to one or two factors which at the moment constitute the dominant and impressive stimuli. In the case which we just cited the employees were reacting to certain conditions within the organization. These conditions affected them

and aroused feelings, emotions, and thoughts different from those which other conditions would have awakened, and the result was a wholly altered situation from the one that existed before this reciprocal interaction between employees and factory conditions occurred. But let us briefly cite a case in salesmanship.

A firm wished to open a new territory for an implement which was to be sold to farmers. Three different salesmen of experience followed one another without success. The farmers simply would not buy. Finally, the fourth located the cause of the trouble. It was not that the farmers did not want the implement, nor was the price too high. The explanation was in the contract, which did not fit their needs. A slight change in the conditions of payment altered the entire situation. But the previous salesmen had missed the point, largely because they had been so insistent upon demonstrating the value of their product that they had not allowed the farmers opportunity to explain their financial situation. To put it bluntly, these salesmen talked so much that they had no time to listen.

The writer has been urging the importance of understanding the total situation that confronts a salesman. Neither its parts nor their sum reveal the whole situation to us. A poem, for example, that leaves us unmoved may exert a tremendous influence upon a friend. What makes the difference? The stimuli, as we call the words and sentences, are as real for us as for our friend. We may even get the thought as well as he, but while he is stirred to a mighty outburst of enthusiasm, we are cold. There is something added to his interpretation which we cannot get. He is responding neither to the sentences nor to the thought alone, but to the manner in which the thought affects him. And this subtle influence springs from the relation between him and the meaning that he gets. Indeed, this relation is a part of the meaning for him since he cannot describe it to us in a way which we can understand.

The "facts" of a strike, again—those objective conditions which can be named and put on paper—are only parts of a total situation to which the strikers are responding, since their sentiments, beliefs, ambitions, and desires enlarge the meaning of these facts. This meaning is an outgrowth of the relation between the strikers and the conditions which are usually called the "facts" of the case. But, lest poetry and strikes may be said to be "different from my business," let us refer again to salesmanship.

The prospect is not responding alone to what the salesman says; neither is he responding merely to the reputation of the house or goods; nor, again, is he responding solely to his own financial condition or to the general situation throughout his territory and the country. He is responding to the relation between himself and the total situation as he views it. And the relation between himself and the other separate factors in the case still further complicates the total situation. There is always an interaction between the factors which adds to the situation something contained neither in its parts nor in their sum.

This interaction and personal relation explain why the same objective facts which the salesman can name affect two prospects differently. Salesmen are often puzzled over the varying effects of the same argument with different prospects. Even the hopeful financial condition of the country, which would seem to be a pretty definite stimulus, produces different responses, and the argument for a special make of automobile that wins one prospect leaves another unmoved. Evidently situations are not the simple facts which careless observers have assumed.

When Wanamaker opened his immense store in which he risked what in 1876 was a fortune, his competitors smiled as they figured the price for which they would buy his stock at the forced sale that they anticipated. Wanamaker introduced many innovations unheard of at that time, but which have become commonplace maxims in the

best stores to-day. One price to every one, money back if not satisfied, truthful advertisements, seconds sold at their true value and not as first-class goods, honesty toward the buyer, and recognition of the fact that a sale should be profitable to the purchaser as well as to the seller: these were strange ideas in those days of business buccaneering, when the public was considered by even the better class of merchants as prey sent by the Lord for plucking.

Now there were certain conspicuous facts in the retail trade of those days. Prices were marked high that the salesman might make the customer think he was getting a bargain by lowering them slightly. The more the salesman got for the goods the better his reputation with his employers. A "good sale" was always a poor bargain for the customer. If a customer had "a pull," or was widely influential he was given a better price than was offered to others.

The result of this method was that customers seldom expected to pay the first price which was given, nor did the clerks think that they would. The price was set in expectation of a play of wits. The customer said that he could buy the article cheaper at another store and the clerk said that his goods were better though he knew they were not. Finally, if the customer started to leave, the clerk would say: "Well, the price is too low, but as a special favor to you I will let you have the suit at your price."

To be sure, the customers were not always truthful. Many times when they said that they could buy cheaper at another store they had not been elsewhere; but they knew that the prices were higher than the figure which would be accepted, and self-protection demanded that the conditions be met. It was a game of bluff.

These were the visible facts of the situation. The statements of customers were as fanciful as those of the salesmen. Consequently, when Wanamaker advertised "one

price to all," and "satisfaction guaranteed or money back," the old-guard merchants cried: "The public will swindle you. It can't be done. It is business suicide." So solicitous, indeed, were these worried merchants for the welfare of the public that they tried to protect the people by urging the daily press to refuse Wanamaker's advertisements. These were the obvious facts which any one could see, and "experience" had taught the merchants that one price and money back if dissatisfied would not pay.

But Wanamaker saw that there were other factors in the situation, namely, the relation between the facts, on the one hand, and the relation, again, between the public and each of these same facts, on the other. He felt sure that a man who simply visited his store would get new ideas and acquire new habits of action. By merely going into Wanamaker's, this innovator believed, prospective customers would be altered. He was convinced that a change would be produced in the relation between the visitors and certain factors in the situation. Consequently, the necessary thing was to get people into the store in some way. Once there, they would feel the difference between Wanamaker's and the old-line merchants. Even if the customers did not buy the first time, the novelty of the situation would interest them sufficiently to make them want to try it, "at least once." It was a strange experience for a man not to be urged to buy, to be treated courteously, and, perhaps, to be told that this cloth was not all wool and in time would fade. It produced new sensations in the psychological use of the word, and created a sensation in the colloquial phrasing. Customers were not importuned to buy, and if they did not purchase they were treated as politely as though they did. Then, to be told that these were "seconds" and should, consequently, be examined rather carefully before they were selected—whoever heard of such a way of doing business! No one had at that time. And, again, money back if dissatisfied! A perfectly safe

purchase! They could take the goods home, look them over, wear them once, perhaps, and then return them. It takes time to change the relation between people and a situation by altering the facts in the case. But after taking the goods to their home they would inquire what others had paid for similar articles and find that in many instances their own were of lower price. And they were treated as though they were honest—a novel store-experience in those days, and pleasant.

Wanamaker saw facts which the other merchants had missed, and he realized that the obvious "facts" did not exhaust the business situation. There was a relation between these facts and those who did the buying which could not always be expressed in words, but which could be sensed by one who understood the other factors. The haggling, dickering, and suspicion of the customers, for example, were facts in the best stores, but Wanamaker felt that these conditions were offensive to the better class of people even though they conformed to them; and he was convinced that it was good business policy to lose a sale rather than to misrepresent the goods.

Every one knows to-day the success of the Wanamaker method. The retail selling situation was altered by changing the relation between buyer and seller, by acting upon the principle that a purchase could be profitable to the one who bought as well as to the one who sold. It was a great innovation—one of the many "impossible" things accomplished.

The trouble with the merchants of those days was that they did not understand the total situation, and they attributed to human nature factors which they themselves had created. They had made the public suspicious of the goods offered as well as of the statements which their salesmen made. And having created doubt of their veracity they had to set a high value on their goods at the start in order that they might have slack enough to lower the price

sufficiently to make their offer look like a bargain. The higher the first price, the lower could be the final drop. And the customers responded to the situation thus created by the merchants, by demanding a markedly lower price than the one first given.

That these business men created the situation which caused them so much trouble is so important that it should be emphasized. Situations are not fixed conditions. First of all, they are the result of the interaction between the environment and the individual who responds to it. And the moment the first response is made, the situation has already changed. In the case of salesmanship, the environment is made up of many factors, of which the prospect, the financial condition of the country, as well as of the prospect's own customers, are the most obvious. But, in addition to these evident factors in the situation, there are others not so easily discernible—the relation between the factors which are more often vaguely felt than clearly defined, and the continual alteration in the situation caused by the interplay of stimulus and response. And a situation can never be rightly understood without being viewed as changing, evolving, and progressing.

The writer has been urging the importance of understanding the total situation that confronts a salesman, and he has dealt at some length with the innovations introduced by Wanamaker because this merchant saw relationships between the obvious factors which had escaped the notice of practical, "hard-headed" business men. He realized that the merchants had created the situations which were troubling them, and that a change in the response of his salesmen would modify the situation. Situations are always changing, and as the alteration proceeds we have a new set of facts.<sup>1</sup>

<sup>1</sup> The reader will be interested in *Creative Experience*, by M. P. Follett, which came to the writer's attention when he was finishing this chapter.

We have said that situations are not explained by their visible factors, and that the sum of the facts in the case gives an equally inadequate representation of the selling conditions which must be met. But this statement is quite as true of personality. One of the chief defects in salesmen is that they think of a given man to whom they wish to sell as made up of certain characteristics which when added together make the man. But a moment's reflection will show how untrue this is. Often one tries to describe and characterize an acquaintance by naming one quality after another, but when one reaches the end the inadequacy of the description becomes apparent. The whole man has something which is not found by enumerating or summing up his parts. It is easy, for instance, to think of a salesman who, we say, has initiative, self-confidence, resourcefulness, and certain qualities which we include under a good personality, yet he has not distinguished himself in selling goods. And, again, the writer knows remarkable salesmen who lack most of the characteristics usually called essential in books on salesmanship. Evidently, each trait, if it is to be given its correct value in characterizing a man, must be estimated in its relation to all of his other qualities, and also to the man as a whole. In other words, out of the relations and interactions of the various traits, something emerges which is found neither in the separate characteristics, nor in their sum. And this something—the feeling of the relationship between the factors—which eludes the careless and thoughtless salesman is frequently more important than any of the traits which can be named, because neither by themselves nor in combination do they account for the final product which we call selling efficiency.

The chief trouble with the thinking of business men, in common with others, is that they assume a rigid, unchanging set of conditions. They do not take account of the variations that occur through the mutual influence of the factors in situations—the interaction between employees

and factory conditions, between the condition of the customers of the stores to which the salesmen sell and the prospects themselves, between the ideas that circulate through the country round and the retail buyers upon whom the salesmen ultimately depend. It is because of this continual change in the conditions that the result of one experience cannot be applied to the next. Situations, let us repeat, are never the same, and consequently what is learned from one experience cannot be applied to another. Two experiences are never alike.

Every event has its cause, but the various contributing factors do not have the same weight in different cases, and the one who responds to these factors alters them by his manner of response. This is of great importance, especially in all human situations such as managerial activities and salesmanship. Employees and prospects are not merely stimuli—objects—to which managers and salesmen respond. The individual by his response alters the one with whom he is dealing so that the situation immediately changes, and these variations are constantly occurring as a result of the interaction between men in social or business intercourse.

It was because they knew this that we have called Huxley, Simpson, and Lister great salesmen. They saw that the conditions had changed, that wholly new situations had been created. The notion that about six thousand years ago the earth and its inhabitants were created within six days was no longer saleable. The discovery of fossils, as well as other geological and biological observations had produced an entirely new situation. It was not a variation of old facts, for wholly new facts had come to light as a result of the changed conditions. And in the same way anæsthetics and antiseptics had put a wholly new situation with its new facts in place of the old condition and its facts.

*Huxley, Simpson, and Lister saw these changes and under-*

*stood the new situations not because they were great salesmen, but they were great salesmen because they were able to interpret and understand the changes.* They knew that situations were changing, and their mental alertness enabled them to interpret and adapt themselves to the altered conditions.

A situation, we have said, is not the result of the sum of its factors. This may be seen by the change that comes over a negligent, disorderly school when the teacher becomes aware that neither pupils, studies, discipline, teacher, nor again their sum, are the only factors in successful teaching. When the teacher discovers that there is another, less tangible element in successful teaching, namely, the change which is produced in the school situation by the interaction between himself and the pupils, as well as among the pupils themselves, he has found something worth getting enthusiastic about. A teacher cannot get inspired over "selling" arithmetic, geography, or discipline to the pupils any more than a salesman can become enthusiastic over selling pancake flour to the trade. If he regards teaching merely as assigning and hearing lessons, though he does it ever so well, he misses the most important factor in teaching, and that is the change in the situation that comes from the interaction between the pupils and himself.

Since the changes produced in a situation by the influence of its factors upon one another are as important in salesmanship as in teaching, a sketch of the evolution of a school will be valuable in showing the manner in which the response of a teacher changed the conditions with which he was dealing. It will be observed, also, that the changed conditions altered his behavior toward the pupils, and this new attitude, again, had its effect upon the conditions which confronted him. Though the illustration is from a school it is equally pertinent to salesmanship, because it shows the interaction between stimulus and response—between a selling situation and the salesman. It is, indeed, an example of the interplay of forces in human

intercourse whether in the schoolroom, in social conversation, or in salesmanship. A bit of imagination will enable the reader to apply the following story to his own work of selling goods.

"When I took charge of this school," said a teacher recently to the writer, "the children were like well-mechanized automata. They learned everything in the lesson and repeated it mechanically, but there was not the least glimmer of originality, and they asked no questions. Pretty soon I found that I was as automatic as my pupils. Lessons were assigned, learned, and recited, but there was no life in the school. Then it occurred to me that I was to blame because I had looked upon teaching as more or less of a static situation in which little variation was to be expected. I was reacting to what I assumed to be established and fixed conditions which constituted the school situation, and, in my determination to maintain order and to have the lessons learned, I had made a dead school deader than it was when I took charge. *Rigor mortis*, my reflections disclosed to me, did not occur until after my arrival.

"Then I remembered having heard that a school is what the teacher makes it, and I realized that I had never understood the meaning of that statement. What the children will do in the school—namely their behavior—will depend upon the various factors in the whole situation. Heredity, of course, should be taken into account. Children begin their school life with different physical and mental equipment. This original endowment must be assumed because it is the given factor in the human problem which a teacher is trying to solve. Assuming this, then, what are the elements in a school situation to which children respond and which influence their behavior in discipline and mode of study?

"First of all, there are the general conditions of the town and of their homes, including, of course, affluence or poverty, the quality of the public library, as well as the

background of culture and reading in the town and homes. The desires, ambitions, aspirations, and hopes of the pupils seemed to come next. For the third factor in the total situation I put the management of the school and myself.

"This seemed to exhaust the analysis of the situation, until, as I reflected, I became conscious of a fourth factor which was less tangible, but nevertheless very real. And this fourth factor I finally saw was the relation between the response of the pupils and each of the other elements—the change in a pupil's behavior, for example, because of an altered relation between himself and some detail in the situation. A boy reacts to a factor in the whole situation—the management of some school activity assigned to him, for instance—and this responsibility alters the relation between himself and all of the other factors. He responds differently to the conditions of the town and home. He becomes a more responsible boy than he was before, and his desires and aspirations change. He takes more interest in school affairs, including his studies. Having been given responsibility in one thing, he assumes it in another. And the reason would be that he was responding to a new relation between himself and the surrounding conditions, a relation which responsibility had created. The boy is evidently responding to something within himself—his ambitions or the lack of them—and this something within himself is altered by a change of external conditions, as, for example, by new activities in which he becomes interested. And this new behavior creates a different relation between the boy and that which changes his conduct; in other words, a change in the conditions alters his behavior, and the new behavior, by changing his general attitude toward things, produces a different relation between the boy and the total situation. To put it briefly, an individual is always influenced by surrounding conditions, by his behavior toward these conditions, and by the way in which he feels as a result of this behavior. This changed

attitude or feeling is the first evidence of an altered relation between the individual and the conditions which surround him. Indeed, the altered feeling, perhaps, is the first indication that one has of a change in the relationship between oneself and one's environment. The intellectual factors, such as thinking out plans for the immediate and the more remote future conduct, come later."

As an illustration of the accuracy of this teacher's analysis, the writer has known schoolboys to be practically remade, both intellectually and morally, by being elected manager of the baseball team or by being given some other responsible position. And he has learned of a girl who was so diffident that her parents were seriously disturbed about the outcome. They tried various ways of bringing her out of herself, urging her to assume responsibility, but all to no purpose. The knowledge that she was to be the conspicuous, responsible person in an undertaking aroused her fears of incapacity to such an extent that before the time for her appearance she was sick and unable to carry out her part. Dread of incompetence oppressed her with all the disgrace of actual failure.

Finally, she was put in charge of a man who managed a summer camp, and who had studied girls all his life. When he learned of the situation he arranged an entertainment at which this young girl was to be the guest of honor, but he did not tell her this. When all the arrangements had been made, and the girls had assembled he escorted the guest of honor to the front and introduced her with a neat, unsentimental speech, which did not exaggerate either the occasion or the qualities of their guest. And for the remainder of the evening this diffident girl acted as hostess and guest of honor to her associates. The effect was so amazing and permanent that the girl's father, who had been invited to be present, gave the man who wrought the change a check for a thousand dollars. Her response to the situation created a new relation between herself and

her environment. And this changed relation aroused new feelings, emotions, and thoughts, which, in turn, produced a wholly new attitude toward life.

The writer is aware that many business men and salesmen will ask what has all this to do with business or with salesmanship? School-teaching, these men will insist, is different from salesmanship. This attitude of mental isolation—the one-track mind, and that a switch track—is what the present writer meant when he said that the chief reason why salesmanship has not reached even the level of a high-grade art is that its followers regard it as something unique, something in a class by itself without any particular relation to anything else. The result of this mental attitude is that salesmanship has not yet advanced beyond the stage of rules and maxims. But let us see whether the discovery of our school-teacher may not be profitably applied to salesmanship.

First of all, the teacher wanted to get the attention and interest of his pupils that he might induce them to decide to do something which he wanted them to do. He felt that he had failed to create a desire because his method of approach was wrong. Thus far you see his problem coincides with that of a salesman. He wanted to “sell” to his pupils a method of study with which they were wholly unfamiliar. Consequently a desire had to be created before he could induce them to accept his “goods.”

Now, however, he did something which salesmen rarely do; he analyzed the situation which confronted him in order to discover to what his prospects—the pupils—were responding, why they did not place an order, so to speak, for his method of study and work. Let us now review the analysis of this teacher and translate his words into the terms of salesmanship. The prospect responds, first, to the conditions of the purchase—to the profits to be derived or, if the article be something that yields profits indirectly or not at all, to the advantages of the purchase. This is also

what our schoolboys did, but the advantages of the new method of study did not at first induce them to place an order. Second, would come the desires and ambitions of the prospect—his wish to capitalize the profits. And again the analogy of the school is perfect. The boys' desires were not satisfied by the teacher's proposition. The inducements were not sufficient to produce a favorable decision. The third factor in the selling situation, as in the school, would be the salesman himself, his general bearing, the kind of English that he uses, and that rather large group of unnamable qualities which we include under personality. And finally, the relation between the prospect's response to some factor in the situation, profits or ambition, for example, and the effect of that response on his attitude toward another factor such as the salesman. And here, again, the analogy is quite clear; the boy, as manager of the baseball team responds quite differently to the other elements of the situation. Finally, as the schoolboy acquires initiative when responsibility is put upon him, so the prospect gains confidence in himself and in his ability to put a proposition over when the opportunity is presented in the right way. And like the schoolboy, having been given one chance which was carried through with success, this prospect takes a different attitude toward the salesman. He has more interest both in him personally and in his goods. A man, for example, who has made a profit on bonds or stocks becomes a permanent prospect for the salesman who started him right. And, in addition, he takes an interest in that salesman, mentioning him with commendation to friends.

But notice carefully that this change in the prospect is not caused alone by expectation of profits. This hope is always held out by salesmen; yet they often fail to book the order. Neither is the change produced wholly by desire and ambition, as the frequent failure of these appeals shows. Nor, again, is the result merely the effect of the personality of the salesman, for he probably fails more often than he

succeeds. The change in the prospect, like the alteration in the schoolboy, is caused by the whole situation of which these factors are only details. And the fourth element, the new relation between himself and the other factors of the situation, is as important for the prospect as for the schoolboy. The reconstructed situation, in the making of which anticipated profits, desires, ambitions, and the salesman had a share, gave the prospect a different view of things, together with an altered relation between himself and each factor in the conditions as well as between himself and the situation as a whole.

And now let us see how Huxley, Darwin's efficient travelling salesman, made use of these facts. A brief survey will be helpful because few have ever excelled this master salesman in selling ideas. We should again say emphatically, however, that Huxley was not, first of all, a salesman. He had learned from his study and investigations that conditions are not static. He saw that situations are always changing because of the interaction of new facts upon one another, because of the interaction between people and the new facts, because of the interaction between those who see the meaning of the facts, on the one hand, and the well-meaning but inadequately informed mass of humanity, on the other, and because of the new relations established between his clientele and all the other factors in the changing, evolving situation. Huxley foresaw the effect of all these interrelations, and consequently was not discouraged when he did not succeed at first in obtaining as large orders as he would like to have secured. He had confidence in what he was offering and confidence in the desire of the people to place an order if once they could be convinced that the new ideas were what they were represented to be. He therefore set himself to the task of opening up a new market, looking forward to the sales which would recompense him for his time when once the people understood the value of his goods. And, again, we cannot repeat too

often that he was a great salesman because he saw the significance of ideas and interpreted situations. He was a master hand in selling strange, unheard-of goods because he was able to read the signs of the future as well as of the past and present. He knew that the old ideas about the origin of the earth and man were doomed. Evolution was to be the dominant thought of the future. Notions about some of the most serious matters of life were verging on a revolution which many regarded as catastrophic. And Huxley saw then, if he had not known it before, that social, economic, religious, and moral situations can only be understood by seeing them as changing, evolving conditions.

It should be noticed that Huxley, Simpson, and Lister used quite different methods in making their sales. They did not have a sales manual to handicap their ingenuity. Rules of approach, getting the attention, and forcing a decision would have been fatal to men of their genius for salesmanship. They studied the evolving situation and adapted their method to the needs of the moment. Lister used the demonstration method, with which salesmen are familiar. "See the effect of using antiseptics," he said, and "compare these results with similar operations under the old plan." Meanwhile he listened to the tirades of his competitors and answered them with new demonstrations which, again, met violent invectives. He was always looking for a weak point in the defense where he might attack. "Do you remember," he once said, in effect if not in words, "how many amputations were fatal during the Franco-Prussian War? Do you not know that the amputation of a limb almost always meant death? Come, then, with those figures in mind to my surgical wards and count the number of fatalities from similar operations with the use of antiseptics." Of course not many went to his wards, because the surgeons of those days had vested interests in the old methods. Their vested interests were habits, opinions, and

human inertia. They did not want to admit that they were wrong.

Doctor Simpson used a different plan, and he showed his ability as a salesman by discovering the weakest point in the defense of his adversaries. Lister was dealing primarily with scientific men, and therefore could use the demonstration method, but the opposition to anæsthetics was based chiefly on the religious grounds to which we have already referred. Demonstration would not work with Simpson's goods. So he turned the line of the enemy by the quotation from the Bible which is given above. And so complete was his enveloping movement that the enemy attempted no defense. His opponents surrendered unconditionally.

Huxley, again, used a variety of methods. He presented facts from geology and biology, when trying to sell to scientific men, and used good-natured wit and repartee when dealing with those who sought to ridicule his goods. But he could also be severely crushing with men who tried to be too smart in public, and if this method did not convince his opponent it must have had a remarkable effect in gaining good-will with those who had come to enjoy the fun. Perhaps the best illustration of Huxley's frontal attack is his passage at arms with Bishop Wilberforce. Huxley happened by chance to be at a meeting when the bishop, who was famous as an orator, attacked the evolutionary theory. Spying Huxley in the rear of the room, he could not forbear uttering what he thought would be a brilliant and crushing bit of satire against Darwin's managing salesman. So, in the course of his address, he said in effect: "Perhaps Mr. Huxley will tell us whether it is on his mother's side, or on his father's, that he is descended from a monkey?" Had Huxley been the sort of man who needs a sales manual he probably would have tried to think of the rules of approach and securing attention. But having no such handicap, he whispered to a friend: "The Lord hath delivered

him into my hands." So crushing was his retort that the audience held its breath and gasped as Huxley quietly said that Darwin never claimed man to be descended from monkeys, but since the bishop had asked for his own personal preference, he could say that he would rather be descended from an honest monkey than from a man who would pervert the truth by misquoting an honest investigator. The effect of Huxley's reply was so stupendous that no one who heard was ever able to repeat his words.

We have referred at some length to Simpson, Lister, and Huxley because they show the spirit of salesmanship at its best. Too often, as we have said, the selling of goods is treated as though it were something peculiar, something with its own rules and methods, something unlike anything else in the world. This separation of salesmanship from related subjects is like trying to construct a city on a branch track of a railroad, where the advantages of main-line connections are lost. There is constant inbreeding of ideas, and repetition of the circle's whirl. Salesmen rarely get away from their sales journals, which repeat the conventional sales platitudes in a slightly different way; and if a salesman picks up a popular magazine which tells how this or that business man achieved success, he usually reads that it was by pushing those in front out of the line and taking their places. And as proof of the accuracy of what they say these magazines show the picture of the man who did the pushing.

But there is a big bustling world of knowledge of which the salesmen on a branch track have not heard. Securing attention, arousing interest, and producing a decision, let us repeat, are primarily psychological problems, and salesmanship is only one of the activities in which they are found. Yet the writer has many times heard salesmen criticise a speaker at a luncheon conference because he dealt with the larger, general aspects of these questions instead of telling them how to sell underwear. They could not ap-

ply what the speaker said because on the branch line where they live everything is reduced to rules, experience, and push.

Men who worship rules enjoy hearing "theorizers," as they call those who think, ridiculed. Wanamaker was a theorizer, and many were the speeches made in those days about the high-brow notions of that "unsophisticated youth" who thought that he could show successful merchants how to do business. There were many jokes and much applause when speakers referred to this "agreeable young man" who thinks that he can "refute the experience of those who were successful business men when he was being wheeled in his baby-carriage, playing with his rattle and his doll."

So great is the laughter of these devotees of "practical" salesmanship, that lecturers have found it pleasing to their vanity and profitable to their bank-account to deny any connection with those who do not carry a sample-case.

"We don't talk to our salesmen about psychology," cried a speaker at a sales conference. "We eliminate such high-brow stuff and show them how to sell goods." And the applause that he received revealed the mental shallowness of his audience. Yet the writer of this book had furnished that speaker, by request, with a list of psychological texts suited to his needs. When asked why he had spoken so disparagingly of psychology, to which, as his address showed, he was much indebted, he replied: "Didn't you see what a hit that statement made? That's the kind of palaver those men want. They like to talk about getting down to brass tacks, but they don't want to know how the tacks are made. They just want them handed out in rules drawn from experience. They think that they know all the psychology which they need, though they have read only the cheap stuff put out by men who write wisely in big words about what they call our subconscious mind. Few salesmen have gone far enough into psychology to

get anything out of it; they like to be told that it amounts to nothing, and that their little two-by-four experience is the greatest thing in the world. If I told them that their experience was worth less than zero, they wouldn't listen to me. I know what they want, and I give it to them. That's what they pay me for." This speaker was certainly frank. He had no illusions about salesmanship. He sold the salesmen the goods that they wanted, and if they were "sold" in more senses than one, he felt that they could blame only themselves.

But the trail-breakers in business leave the amiable old ladies who by some oversight of the Almighty are of the masculine sex, and start out into the limitless forest of opportunity. They are the modern pathfinders, and after they have beaten down the trail so that it can be trodden by tourists in low vici-kid shoes, the fat old ladies of masculine gender hobble along the well-worn path on their pudgy feet uttering exclamations of admiration at the wonderful business achievements which their callow brains assume they themselves accomplished.

Selfridge was such a pathfinder, yet when he left Chicago to open a department store in London the mercantile old ladies cried: "You will fail; London is different from Chicago; Englishmen are different from Americans." But Selfridge wanted facts, not opinions. So he engaged a group of experts to find out whether Englishmen were different from Americans. And, like Wanamaker in Philadelphia, he soon discovered that the English had been responding to situations which London merchants had created. "Change the situation," he reflected, "and you change the people who respond; in other words, you change the buyers—the retail prospects." Selfridge saw what the teacher of the school to which we have referred observed. The people respond adaptively to the situation that confronts them. Those are the only conditions to which they can respond, because they are the only buying conditions that exist. But if the situation is changed, a new set of

facts is established, and the relations between the buyers and the conditions are altered because the factors of the new situation are different. A new situation produces wants and feelings of which the people under the old régime were unaware.

We have found this true in schools, and it has also been observed in government. Give the people the right of self-determination in one thing and they clamor for it in another. The accepted right of a people to determine their form of government and laws led the wage-earners to demand the same privilege in their smaller industrial world. Then women began to see that the same principle applied to them as well as to government and wage-earners. All of these innovations arose because of new facts, which made new situations. And the new conditions created new relations, out of which grew needs which before had been unfelt.

Selfridge understood this in its application at least to business. "Of course English men and women," he said in substance, "do not want to buy at department stores because there are no stores in London to create that want. Give them the chance, open a store in which they can buy the best of everything without running all over the city, and you will produce the want. A department store will create a totally different business situation, made up of wholly different factors. And this new situation with its altered factors will produce new relations between buyers and sellers, relations which were previously unfelt because they could not start without something to call them out." And now, after the London old-lady merchants have trotted over the trail which Selfridge made, this American pathfinder in England is invited to tell boards of trade how he did it and what strange things he found on his pioneering business journey through regions thought to have been fully surveyed and mapped.

We have been trying to show business men that sales-

manship is a bigger problem with enormously larger opportunities than are usually disclosed by "common sense" and experience. Some men are born with the ability to understand human nature. Such men were Simpson, Lister, Huxley, Wanamaker, and Selfridge. But it is an expensive conceit which would cause others to think that because these men had a native insight into human nature they themselves also have the same intuitive knowledge. One gets profits out of experience, we have said, in proportion to what one puts into it. Insight, ability to interpret, is native to but few, and even those who are born with the ability to view the future can profit from study and reflection. Wanamaker and Selfridge did not get their knowledge from experience, because neither they nor any one before them had done what they did. They were explorers in thought and action. They saw that situations were not what they appeared superficially to be, and they decided to try out the people to see whether new situations might be created to which the public would respond as they, the discoverers of new business policies, would wish. And this also is the problem of the man who would become a master salesman.

## CHAPTER III

### THE STRATEGY OF SALESMANSHIP

THE reader, of course, remembers Mark Twain's experience with the missionary. To use a business phrase, it was at a convention of church salesmen, and the missionary had just returned from China, or India, or from the interior of Africa—it doesn't matter whence, since heathen are much alike. This particular missionary was trying to "sell" something to his audience, but he failed, so far at least as Mark Twain was concerned. And probably Mark was a good sample prospect.

If you have not read the story recently it would be well to renew your acquaintance with it as an illustration, in one pretty important respect, of bad salesmanship. It is clear from what Mark says that at the beginning of the talk he was so greatly impressed that he was prepared to place what for him was a rather large order for that kind of goods. He decided to put five dollars into the hat.

But the missionary committed the mistake which a good many salesmen make. He did not know when to stop talking. His approach seems to have been well planned, and he had secured the attention of his toughest prospect. Indeed, he had evidently reached the place in his talk where, according to all of the sales manuals, he might have forced the decision and closed the deal, since he had almost gotten five of Mark's hard-earned dollars into his hat. This would have been better than getting his name on the dotted line, since regrets could not have recovered the money. If the speaker had stopped at that point all would have been well with him, but he did not see the signal and ran past the station. Up to that moment he had done a good job, but, like many easy talkers, he felt that he had

not told quite all that he knew. So, as is common with salesmen, he repeated in other words what he had said before. But, since repetition is thought to lose much of its value if each repeated statement is not made a little stronger, the speaker told each time a bigger story than before, until finally even so credulous a prospect as Mark Twain began to have doubts about the quality of the guaranteed goods. Five dollars, he now thought, was too much to risk. It might be like an investment in a dry oil-well. And, as his suspicions grew, he decided to risk only two dollars, then one. And when the missionary had reached "the close" and the hat was passed, Mark decided that in return for such big stories he was justified in taking twenty-five cents out of the hat.

The moral is, do not make your stories too big; don't offer too much value. You may make the investment look too good to be true. The writer is reminded of another sale that was spoiled by offering too much value after the prospects had decided to place a large order. It was the case of the so-called educated horse, "Clever Hans." The quality of the goods had been accepted. The purchase looked so good that some of the leading scientists of Europe decided to invest, but when the salesman "proved" that Hans could make mental arithmetical computations which were beyond the ability of educated mathematicians, these scientists said: "No, we were ready to take your goods, but you make them too valuable. Now we do not believe a word that you say; you are offering wildcat bonds." So they did not buy. And later it was shown that they were right in refusing to believe that the horse could reason, because Hans was a trained horse who obeyed the slightest movements of his questioner.

Though investment in missionaries and in educated horses is "different" from buying dry-goods, typewriters, and automobiles, salesmen, we think, will hardly be inclined to say: "The illustrations do not apply to our line;

our business is different." Indeed, the writer is of the opinion that Mark Twain's story of the sales talk of the missionary would be a good intelligence test for prospective salesmen. They could be asked to read the tale and tell its application to salesmanship. If they fail to make a perfect score they should be classed as hopelessly stupid.

Overstatement—exaggeration—always arouses suspicion of either the honesty or the judgment of the salesman. And bad judgment runs as low on the sales market as bad ethics. Yet the writer, in his adventures among salesmen, has heard many statements which were so exaggerated that they were grotesque. "He tells more and bigger stories about his goods," said a retail dealer of a salesman recently, "than the proverbial fisherman tells about the size of the fish he caught."

Strategy in war is preparation for bringing the enemy to battle. And in business it means the preliminary planning, in equipment and organization, that will put one engaged in commerce or industry in the best position to move forward. For salesmen it signifies the preparation that precedes contact with the prospect. This includes, of course, thoughtful study of argument and suggestion. Evidently Mark Twain's missionary and the sponsor of Clever Hans failed to understand the weakness of exaggerated arguments.

For the strategy of the manager, the kind of salesmen engaged is of great importance. Will they grow with opportunities or vegetate with rules? And then the further question: Will they have the chance? Will the environment in which the sales-manager puts them encourage growth?

Strategy, then, if we may repeat our military figure, is preparation for getting into touch with prospects. What will be done with them after contact has been established reveals one's business tactics, just as the manner of dealing with the enemy after he has been brought to battle shows the tactics of the commander. And in business, as

in war, strategy and tactics are distinct and widely different abilities.

Arrange and manage facts and arguments skilfully. Be a strategist in salesmanship. There is a place in every sales talk where certain facts have the greatest effect, and consequently, make a more powerful appeal than they can make in any other place. A military commander locates his various divisions in the line of battle with special reference to the forces of the enemy which they must oppose. If he puts his shock troops into the line of battle, he does so with due regard to the quality of the enemy's force which they are to meet. He never puts them opposite a weak position unless he expects to break through with one supreme effort. He may, indeed, keep this crack division in reserve for the purpose of throwing it in at a crucial moment when the enemy, uncertain what to do, holds the line with an insecure, trembling grip. This is the "psychological moment" in the battle, when the crack brigade, famous for its achievements, may force a decision. But the victory might have been lost had this brigade been unavailable, or had it already exhausted its strength fighting against overwhelming odds.

It is the same in salesmanship. Facts and arguments have their time in the sales talk. An argument irresistible if injected at just the right moment may be wholly useless at another place and time. Facts, like army divisions, may be worn out by repeated use before the occasion arrives when their onslaught would force a favorable decision.

Consequently, a cut-and-dried talk is disastrous. It does not lend itself to a flexible use of facts and arguments. The "talk" of sales manuals has its place, but it should not be taken too literally. "The letter killeth" in more ways than one. The man who follows rules, who must think what the manual says before replying, may do mediocre work, but he never will become a master salesman. Rules are for the inefficient, for men of moderate ability, and for

those who are intellectually too indolent to see below the surface of the rule and get its meaning.

Military science also has its rules, but the trouble with them is that the leaders of both armies know them. And the great commanders have been those who have surprised the enemy by doing the unexpected.

But it must not be supposed that the famous military leaders began their careers by ignoring the principles that their predecessors had found valuable and which, from time to time, were formulated in the rules of military science. These leaders were not erratic. They did not violate the rules merely to be "different." They studied the reasons which underlie the rules, and having mastered the principles upon which they were based, these commanders knew when rules might be advantageously ignored. There is no virtue in merely being "different," either in war or in salesmanship, but if one wishes to get the most out of a situation, to meet it in the best way, one must know the reasons for the customary response. Rules assume identical situations, and, as we have said, no situation is ever repeated. The test of intelligence is the ability to discriminate and to see distinctions. This is the beginning of the strategy of salesmanship.

There is no strategy in always giving the same answer to a statement or question unless the query calls for a definite fact. If, for example, the question is: "How does the new model of your car differ from the one that I already have?" only one answer can be given. But, on the other hand, if the prospect says: "I can't afford a new car," there are many possible replies, and the intelligent answer would depend upon so many factors that no rule can be given. This is the reason for the free hand that commanding generals sometimes give their subordinates. In such cases the instructions are: "Use your judgment, meet the situations as they arise." In other words, follow the rules of the "manual" if the conditions are the same as those

for which the rules were written. But if you see reasons for departing from the rules, do so. A cut-and-dried talk is often as fatal in salesmanship as a cut-and-dried manœuvre would be on the battle-field.

A study of the strategy and tactics that failed on the field of battle will show that in the great majority of cases the defeated generals followed the rules laid down in the "manual"; and the reason for defeat was that the rules did not fit the situation. Further, a study of the movements of the commanders who won shows that they discriminated between situations and varied from the rule when, in their judgment, conditions warranted it. Hannibal, Cæsar, Nelson, Napoleon, Lee, Jackson, and Foch, to name only a few, won their victories largely by surprising the enemy; and the unexpected is never shown in manuals. The defeated generals usually lost the battle because they expected their opponent to do the thing which he should do; namely, follow the rule written for such situations. Many times the failure of defeated generals to discriminate between the situations is due to their inability to understand themselves. Lee and Jackson, for example, understood McClellan better than McClellan understood himself. They knew that he was hesitating, that he foresaw dangers which did not exist, that he would always reflect for several days before deciding what to do, and then he would probably decide to do nothing.

If McClellan had known his own characteristics, if he had seen himself as his adversaries saw him, he might have given his opponents some unpleasant surprises. Had he advanced, for example, on a few of those numerous occasions when Lee and Jackson said, "He dare not do it," he might have caught them in the act of violating the rules of the "manual." Several times, for instance, Jackson divided a force too small for separation, according to the rules, that he might make a surprise flank movement. If, on such an occasion, McClellan had said to himself: "I

have been overtimid; Jackson thinks that I will remain cautious, and consequently I can catch him off his guard"; if then he had advanced, he would have found a force half the size of his own to oppose and one without that superb leader Jackson, who was leading the flanking division. Jackson then would have found no army to flank, and on his return would probably have learned that his own army was reduced to the flanking party which he had led merrily round the circle. But Jackson knew that McClellan's characteristics were a part of the situation which he had to meet; and McClellan, on the other hand, was unaware that his own peculiarities were jokingly referred to by the master mind of the enemy as the dependable ingredient of situations which were thus made almost transparently simple in the war game which Jackson was playing. Every military movement is an illustration of the interplay of the many factors that compose a situation with which one deals. McClellan, however, failed chiefly because he did not realize that his own idiosyncrasies were an integral part of the conditions that Jackson saw, and which determined the manner of playing the cards that fortune and his own skill had dealt him.

We have already emphasized the importance of understanding oneself, and we are trying at the present time to show the significance of knowing the reasons upon which rules are based—the reasons for their formulation. Jackson went deeper than rules; he understood why they were written, and knowing the reasons for the rules he could determine when he might vary from them with impunity.

Leaders have always assumed that no two situations are alike, and that the response should be made to the conditions which confront the man who is called upon to act. These men are not averse to following rules, but when they do so it is because the conditions warrant the action, and in military matters where "competitors" are anxiously trying to foresee the next move, the knowledge that a

great commander of the enemy is not keeping his ear too close to the experience of the past holds his opponent to the anxious seat, uncertain what to do, always guessing and fearful of guessing wrongly. Many victories have been won on the field of battle by leaders who saw beyond the rules and experience of the elder generals who may have forgotten more than the victor knew, but who had also forgotten, if they ever knew, that rules and experience, because of their universal application, fit no particular situation accurately.

Napoleon, for example, was always surprising the enemy by his "strange" strategy and tactics. Early in his career, after he had forced the passage of a river at the famous bridge of Lodi, he was given this remarkable encomium by the leader of the Austrian forces of the enemy: "This beardless youth ought to have been beaten over and over again; for who ever saw such strategy! The blockhead knows nothing of the rules of war. . . . Such gross violations of the established principles of war are insufferable."<sup>1</sup> And the violations were insufferable because they contradicted the rules and experiences of the amiable old ladies who constituted the competing general staff, which is the term in the military business for the board of directors.

To be sure, war is not salesmanship, but military leaders are dealing with situations in which, as in salesmanship, the human factor is a tremendously important element. Jackson, again, was trying to "sell" two things—confidence in himself to his own soldiers; and doubt, fear, and hesitation to McClellan and his army. And he succeeded with both prospects, because he was aware that the letter of the rule was for men less capable than himself. McClellan expected that the rules would be followed. Consequently he usually placed the order that his opponent wished; he delayed or retreated according to the cards that his adversary held, and which he wished to

<sup>1</sup> *History of Napoleon Bonaparte*, by John S. C. Abbott, vol. I, p. 96

play. And Jackson, in his turn, realized that before he could safely violate a rule he must understand its spirit and its meaning. He was not above rules; he comprehended them in their full significance. He obeyed them by disobeying them.

The writer wishes to say that he is not advocating thoughtless violation of rules or experience. He is urging that beginners in any field of business ask themselves: "Why was the rule formulated? What conditions was it planned to meet?" For only in this way can beginners deal intelligently with the situations which they are called upon to face. Find the obscure factors in a selling proposition—the obvious elements any man who is not a low-grade moron can see. But the hidden factors—those which are not found without investigation, study, and reflection—are the ones whose discovery distinguishes a thinker from an imitator, a strategist in his field from a follower of precepts, rules, and experience.

But, the reader will reply, rules and experience have demonstrated their value many times. Yes, and so did the remedies of our forefathers. Appendicitis, ulcers of the stomach, and all other afflictions of the alimentary canal which caused sufficient irritation to end usually in death, were called inflammation of the bowels and were treated in the same manner. Experience taught that there was only one abdominal affliction, and it also gave the remedy. To be sure, most of those with appendicitis died quickly, and those who had ulcers of the stomach dragged out a painful existence until cancer ended their suffering; but deaths were forgotten and the cure of the lighter cases was emphasized. Of course, no one was to blame, since the science of diagnosis had not developed sufficiently to enable physicians to criticise and test experience. The superficial symptoms of these different diseases were, and still are, much alike, and physicians had not learned to see the distinctions which now enable them to discriminate

between such widely different medical situations as appendicitis and stomach ulcers. Doctors of the olden days were valued in proportion to their experience just as is the case with salesmen to-day. Many of these physicians had never seen the inside of one of the few medical schools of that period, and when opportunities for study became more abundant these old physicians, like their modern brothers in salesmanship, said: "What is the use? We have had experience, and that is much more valuable than anything that the schools can teach those young fellows."

In the early days physicians never planned campaigns. They could hardly have done so because they treated symptoms, and symptoms follow the onslaught of disease. They were able to prevent but few diseases because they were unfamiliar with their strongholds. Carriers of disease germs were wholly unknown; malaria was caused, as experience had taught, by the vaporous exudation from swampy ground, or from the cold, chilly air of the damp night. Until the causes of a disease are known it cannot be planned for in advance, but to-day vaccines for diphtheria, smallpox, and typhoid fever are kept on hand, and antidotes for poisons as well as infections are ready for use. This preparation is a part of the strategy of medicine, and, the writer hastens to add, not one small fraction of it was ever learned or could have been gotten from experience.

To-day, however, the demand is made in all medical gatherings that the strategy be extended, that physicians invade the strongholds of their numerous enemies and envelop their forces before they have a chance to attack. "Medicine in the future," exclaimed the president of the British Association for the Advancement of Science, at a recent meeting, "must change its strategy and, instead of awaiting attack, must assume the offensive. The old idea was that of treating disease, but hereafter we must invade the enemy's country."

Obviously, the causes of disease should receive more attention; and when once the cause is known the abolition of the disease is a comparatively simple matter. Discovery of the cause of malaria and yellow fever has changed the fever-ridden Isthmus of Panama into a habitable place during all seasons of the year. Many readers of this book will remember that not so many years ago every one in the Southern States who had the car-fare fled North at the approach of the terrifying yellow-fever months. "Fearful evil!" wrote Mark Twain. "In the briefest space it struck down and swept away even the most vigorous victims. A slight indisposition, then an hour of fever, then the hideous delirium, then The Yellow Death! On the street corners and in the squares lay sick men, suddenly overtaken by the disease; and even corpses, distorted and rigid."<sup>1</sup> And now the scourge of yellow fever has been conquered. But this stupendous victory, one of the greatest in the annals of peace, was not won by experience. Indeed, everything that experience had taught about malaria and yellow fever was wrong. Yet its teachings seemed to have all the authority of exactness, though frightfully expensive in lives and money was the instruction which it gave.

Rules and experience are for those who are tired by nature. The older men are already "finished," but those who are beginning their career in salesmanship must choose at the outset between the easy life of imitation and the more vigorous activity that investigates both rules and experience in order that they may test, criticise, and judge. Later we shall find that all great leaders have followed the latter course. Rules have meant for them what the word implies, the customary action when no adequate reason could be discovered for departure from the traditional and conventional method. And experience, again, for these men has always been held under suspicion and subject to doubt, because they were conscious that it was the line of least

<sup>1</sup> *Life on the Mississippi*. (Harper & Bros.)

resistance—the policy of those who were too “tired” to think ahead and discover reasons for deviating from the policy of the wise men of antiquity in their field of work.

The reader, let us again emphasize, should not think that the writer scorns rules. The sales talks in the manuals have their place; for men of moderate ability, for those, again, who have inherited or acquired rather more than their proper share of racial indolence, and, finally, for those who have been influenced by the modern pose that disdains the help of education, rules are absolutely necessary. The pace as well as the limit of achievement of these men is fixed. They must always be told what to do; and the instructions should be clear and definite, because for them thinking is too severe an occupation to be indulged in either for business or pleasure. These are the men who continue to fill subordinate positions. The rigorous business of thinking detracts too much from what they call the pleasures of life. The movies are prepared and light fiction stories written for them because they must have some occupation for their leisure moments. They have become so fatigued from the strenuous monotony of always doing or saying the same things—of repeating lessons to use a pedagogical phrase—that they need relaxation.

It is not to these men “tired” by nature or inclination that this book is addressed. There are, however, others who would really like to find something worth getting enthusiastic about, but who do not know where or how to find it. And these are the young men in whom the present writer is chiefly interested. They have been misled by the pose of “hard-headed,” “practical,” “self-made” business men who have made “experience” into a god fashioned after their own image, and then have fallen on their knees to worship him.

The “tired” attitude of many business men at evening is largely a pose. They have not done more than others who are not too “tired” at the close of their day’s work to

find profit and pleasure in reading something that is worth while. But this tired pose is contagious, especially since it falls in with the racial tendency to indolence, and because it furnishes an excuse for indulging in the relaxations that appeal to spontaneous attention. It requires no effort to sit and watch the ribald pictures that have escaped the censors or to play bridge—if one does not do it well.

We said a moment ago that the tired pose of business men is contagious, and therein lies its disastrous effect. Many of those who have passed middle life have been "made." Their creator—and each one of these self-made men has been his own maker—has done his work. For better or for worse the designer has finished his job and is now resting from the fatiguing labors of creation. But the young business man catches the "tired" feeling. He is not yet fully "made." His creator is still at the task of fashioning him; yet many of these beginners act as though their creation were completed, as if they also were a finished product. The microbes of indolence and of self-appreciation wax strong and numerous in a self-made culture, tintured with the creator's experience.

The strategy of salesmanship is our theme, but strategy involves knowledge upon which preparation may be based. And if the reader can be convinced from illustrations in various fields that situations are understood only after the necessary information has been obtained and analyzed, he will be the more willing to admit this need in salesmanship. The cry of the indolent and ignorant that "my business is different," must be hushed in the presence of the mass of accumulated evidence that certain large, general principles are true of all lines of activity, whether business or professional. And one of these principles is that situations are too complex to be adequately met by traditional or conventional methods.

"Theorist," "visionary," and "radical," are epithets of opprobrium because of the vagueness of their content.

Franklin was a "visionary" when he sent his kite up into the storm-clouds and tapped their store of electricity; Galvani was a "theorist" when he qualified as the "frogs' dancing-master," yet he gave the world galvanic electricity; "theorists" also were the men who believed in the possibility of the Atlantic cable, and those who thought that the steamboat could ever be anything more than a big toy; and now that aeroplanes have travelled at a rate of 266 miles per hour, it is worth recalling that the projectors of railroads were called public enemies because the rapid motion of the trains—at that time the rate was about 20 miles an hour—would cause congestion of the brain and ruin the health of those indiscreet enough to travel on them.

The visionaries are the thinkers; they are the men who built railroads across the sandy plains and arid deserts, since they alone could see the cities and towns springing up along the right of way; they are the ones who bridged impassable chasms and tunnelled lofty mountains, because only they could picture the completed structures; and it is they also who saw the possibilities of industrial chemistry, who have gleaned nitrogen from the air for the service of agriculture and the arts; theorists also were the men who domesticated the wild forces of nature, who trained electricity to propel our trains and run the wheels of industry, who robbed the atom of its inconceivably powerful hidden energy. And the theories of these men still furnish visions that are called unpractical to-day and are commonplace to-morrow.

But what has this to do with salesmanship? the rule-of-thumb, precedent-worshipping lover of things as they are, will ask. When one observes, however, that our industries are entering upon a period of superintensive competition in which manufacturers must rely more and more upon scientific methods of production and distribution of the goods which their salesmen sell, when synthetic commodi-

ties are often as good and cheaper than the real thing, when synthetic silk is produced in large quantities, when coal is robbed of its tar, oils, gas, and ammonia before being used for fuel, when turbines are being built to operate at a pressure vastly beyond that hitherto thought possible, when the mercury turbine, with its 50 per cent more power from a pound of coal, has passed from theory to fact, and when plans have been prepared for a single electric power system to serve the entire country, it will be a very slow-thinking manufacturer who cannot see the bearing upon salesmanship of the tremendous innovations now in progress and in the making. And all of them were conceived in the brains of theorists.

And on the side of distribution, when we learn that apples and other fruits are sent from the Pacific to the splendid fruit soil of the Atlantic; that crude material is transported thousands of miles to be made up and returned to the place of origin but slightly enhanced in value; that one five-and-ten-cent corporation sold more than \$190,000,000 worth of goods last year; that chain drug-stores sell books, stationery, many articles of hardware, dolls, confectionery, and some dry-goods; that chain cigar stores offer radio equipment, hardware, electrical contrivances, umbrellas, glassware, silverware, cutlery, and many other articles which do not contain nicotine; that wholesale grocers sell sewing-machines and dry-goods; that department stores sell everything, and that the annual sales of one mail-order house approximate \$200,000,000, it does not require much imagination to see the connection between the visions of theorists and salesmanship. Again in an age when any business organization may become a competitor, when a method of production or distribution has hardly become stabilized before a change is necessary, when railroads are discontinuing trains because of the competition of motor-stages and trucks, and when aerial competition looms in sight, a man with vision, if not worth his weight

in gold, should at least tip the scales against several score of "practical" men so "hard-headed" that their skulls must be trepanned if a new idea is to be inserted into their brains.

Many years ago industry replaced agriculture in the New England States, and to-day nearly 50 per cent of the industries of the country are situated along the Atlantic seaboard between Boston and Baltimore, but the signs that this condition is approaching its end are forcing themselves upon us. What is to be the future business activity of the States on the Atlantic seaboard north of Washington is for a visionary theorist to determine. The cotton industry is rapidly moving South to be near its base of supplies, and the economic wisdom of the change is shown by the fact that the Southern spindles have greatly increased their production while those in the North have barely held their own. Surely this has its significance for the strategy of salesmanship.

The large investments required to-day make overhead expenses so enormous that the cost of slowing down is exceeded only by that of closing the factory. Distribution, which is only another word for salesmanship, is evidently a function of organization, and organization demands vision. But vision comes only to theorizers, to visionaries, to business men who are called radicals, as were Wanamaker and Selfridge.

Every man who wanders from the customs conventionalized by habit, and handed down from father to son as the "safe" way of doing business, is regarded as a theorist. Marshall Field's idea, new to Chicago, that the customer is always right, was an innovation in the retail business. It sent shivers up and down the spinal column of the old gentlemen who were moving along comfortably in the business ruts which their fathers had worn smooth. Getting out from these ruts meant jolts and jars—a new, untravelled road is as hard for man as for automobiles—and few

are willing to endure the physical discomfort. Besides, one is never quite sure whither an unmade road leads, and uncertainty is not pleasant for those who are unacquainted with the pleasures of adventure. Tourists in following the routes of their predecessors are only illustrating the human tendency to repeat what has been done by those who preceded them. They find everything more comfortable, but they learn nothing new about the region through which they pass. Talk with these tourists and you find that they visited the same cities, conversed with the same class of people, and returned with the same notions about the territory through which they travelled. Their knowledge is always the conventional sort. They do not learn anything which their fathers, who made the same trip before them, did not know. And it is the same in business.

The vast majority of business men follow the method of these tourists. They travel the road that father travelled; and salesmen copy as closely as their passive minds permit the methods of some predecessor who has made a success. Yet the prospects in the territory through which a young salesman goes may be altogether different from those with whom their master salesman succeeded, and the efficient manner of approach and getting a decision will vary with the characteristics of the trade. But worshippers of the old, established methods do not make these distinctions. It is too hard work. The trail over which others have gone is "safe," and there is no danger of cerebral congestion from excessive mental activity. Besides, those who depart from accepted ideas are stigmatized as visionary theorists; and what is the use of thinking if it brings only ridicule?

Yet all pathfinders in business, as elsewhere, have formed their theories and then left the beaten trail to test them. This, as we have seen, was what Marshall Field did. He did not believe that antiquity proves the value of a method. He saw that the Chicago merchants inherited their methods

from their predecessors in the business, and he believed that some of these business notions were wrong. Consequently, he decided to start on a wholly new plan, and the results justified his confidence. There was never an argument in his store. Neither the motive nor judgment of a customer was questioned. The customer was always right.

Failure to be among the leaders in thought has led American business men to overemphasize the distinction between doers and thinkers. Thinking is never easy because it involves, first, the collection of all the data which bear upon the question at issue, and, second, the analysis and comparison of the facts thus gathered, that their meaning may be understood. Yet, in spite of the odium which has been fastened upon theorists, thinkers have always been rated highly in the world. Consequently, the demand of man for self-esteem has led to this protective division of human beings into thinkers and doers.

The enormous advance in industry and commerce has given a certain justification to this classification. But a moment's reflection, with a backward glance over the history of industry, will show that this division of men is untenable. Many important industrial improvements invented by thinkers have been passed over by the so-called doers because they did not see the importance of the invention. The significance of the turbine engine, for example, was overlooked by many manufacturers. They continued as doers of the past while the few who combined thinking with doing introduced the new invention into their plants. Personnel management, of which we speak elsewhere, is another illustration. The great majority of the doers are sitting tight on the old notions of efficiency, and, as a result, in their factories there continues to be an extravagant waste of man-power and ability.

"A thing is not right because we do it," said former Secretary of Commerce Redfield before the Business Men's Club of Cincinnati. "A method is not good because we

use it. Equipment is not the best because we own it. The best of us have much to learn." And the learning is done by investigating, theorizing, and thinking. But the self-righteous doer is hostile to thinking. And his hostility is caused by his self-protective efforts to hide his own inability to think. What a man himself cannot do he is usually unwilling that those under him should accomplish. The achievements of a subordinate in lines about which his superior is ignorant, awaken resentment because the executive fears lest his weakness may be discovered. Consequently, he protects himself, often unconsciously, by condemning the acts of the thinker and boasting of his own power as a doer.

A really effective doer is one who thinks, and appreciates the thoughts of others. "I sometimes find that, though everybody is hustling, things do not seem to be going right," said the president of a large wholesale house to the writer recently. And he added: "Under such circumstances I know that something is wrong with some one's thinking." Then in answer to a question, he continued: "I believe in an efficiency expert on general principles, but we have not yet put one into our business because I am convinced that all managers and salesmen should be thinkers, and I fear lest an efficiency expert will lead to the belief that thinking and doing are separate functions. My conviction is that, except in routine work, such as bookkeeping, no man is worth anything as a doer unless he is also a thinker."

Observation of industry and trade as they are has convinced the writer that quite commonly thinkers are put into production and doers are made managers. The result is wasted ability and confusion that requires higher prices to meet the continually mounting overhead expenses.

When salesmanship classes are organized in a company the best salesman is put in charge of the work, though he may be wholly unable to describe clearly how he makes his sales. He has not thought his problems and methods

through. In such a case the successful salesman has a natural aptitude for his work and, like a few teachers, he succeeds without knowing why or how. He is a doer rather than a thinker, and he fails with his salesmanship class because teaching requires analysis, comparison, selection, and discrimination. In other words, teaching demands thinking.

The doer lives in his own experience and in the traditions that have been handed out to him like ready-made clothes. And these traditions fit the altered business environment about as well as ready-to-wear suits fit the man whose ample frontal proportions do not harmonize with length of arms. One's experience is always limited, and traditions were made by an earlier age. Neither takes the future into account because the one draws its conclusions from the present and the other from the past. They do not fit the changed conditions of the present, nor do they plan for the future. They are neither constructive nor creative. An excellent picture of this limited, unadaptive class of men has been drawn by H. G. Wells in his *Discovery of the Future*.<sup>1</sup>

"The type of the majority of living people," he says, "is that which seems scarcely to think of the future at all, which regards it as a sort of blank non-existence upon which the advancing present will soon write [a continuation] of events. I think a more modern and less abundant type of mind thinks constantly, and by preference, of things to come and of present things mainly in relation to the results that must arise from them. The former type of mind, when one gets it in its purity, is retrospective in habit, and it interprets the things of the present, and gives value to this and denies it to that, entirely with relation to the past. The latter type of mind is constructive in habit; it interprets the things of the present and gives value to this or that, entirely in relation to things designed or foreseen. . . . The creative type of mind sees the world as one great

<sup>1</sup> B. W. Huebsch Co.

workshop, and the present is no more than material for the future, or the thing that is yet destined to be."

A few days ago the writer listened to a story told by the manager of a company that does a big business. It was a bit of personal history which he related, and the tale was prompted by the reorganization of a concern with heavy loss to the stockholders.

"Five years ago," said this man, "I was with that company and I know the reasons for their failure. The manager made loyalty to himself personally, and to his methods the test of service rather than loyalty to the company. The salesmen were as good as you find anywhere, but sales were slowly decreasing in volume. The manager kept telling the salesmen to hustle, and he held conferences at which he told them how to meet every conceivable prospect; but my experience had taught me that one rarely meets a conceivable man. The next prospect is different from any whom you have ever met because so many things in each man's past have made him the distinctive, if not peculiar, individual that he is. I saw also that selling is only the end process of a long series of events, that there must be planning—what I like to think of as sales strategy—before the salesmen begin their tactics. But there was no such strategy in the home office; the buying was unplanned, and the selling unorganized. The sales force was a good aggregation, but a poor organization. The method of the house was antiquated; it was an inheritance from an earlier day when buying and selling were much simpler propositions, when cost systems and office organization were unknown because they were not needed.

"My position enabled me to make a few improvements, but I was always running up against opposition. 'We have never done that, and Mr. Blank (the manager) will not wish us to change,' was the common response to my efforts.

"Finally I decided that my future demanded that I resign and find a place in which tradition and the experience

of one man were less sacred. But before resigning I determined to have it out with the manager. So I went to his office and told him that, with his permission, I would like to suggest some changes in the method of the business.

“‘Changes in our method!’ exclaimed the manager. ‘This method has made the business what it is, and Mr. Jones, who organized and built up the company, told me just before he died that the success of the business depended on continuing his policy.’

“‘That’s the trouble with the business,’ I replied. ‘All of its methods go back to dead men. There is no chance here for any one who is alive. You have good men on the force, or at least they were good when they joined the organization, but now all of them are as dead as the founder.’

“‘I think, young man, that we had better separate,’ the manager replied with considerable heat. ‘When you came to us I thought that you were promising, but you have been discontented with our ways ever since you joined our staff. I do not call that loyalty, and I will have no one in the organization who is not loyal. The cashier will pay you the salary that is due. Good day, sir; I wish you success.’

“And so I left. It took about five years for the collapse to come, but it would have come sooner had it not been for the prestige that the company gained in its earlier days. That momentum carried it on for some time even against the resistance of wholly changed business conditions. Most men are addicted to tradition. It works like a drug, blunting perception and judgment. They cannot see the industrial and commercial transformation that is going on before their eyes. They do not want to change their methods. Consequently, they have a deep-seated dislike for thinkers. But they do not want to admit this even to themselves, because thinkers have a very respectable reputation in the world. So they deceive themselves and think that they fool others by dubbing thinkers the-

orists, and then they vent their spleen against the dummy thinker which their hatred of change has caused them to create." This is the opinion of a man who within five years from the time when he offered his advice to that manager was put in charge of a company with so large a business that it has a national reputation.

Former Secretary Redfield, writing in *The New Industrial Day* of the changes which have occurred in organizing, manufacturing, buying, and selling, has expressed his opinion of business as it is to-day. And his judgment is especially valuable since from his position as secretary of commerce he could make an impersonal survey of the whole field of industry and commerce.

"As yet only the men of vision, the few far-sighted captains of industry," says Mr. Redfield, "have grasped and acted upon this new outlook. So splendid have been the results of our industrial growth; so brilliant the victories of our manufacturers at home and abroad; so astonishing the inventive skill with which by special tools and new appliances, we have reduced the cost of production; so matchless has been the courage with which some have forsaken the old and taken up the new, that we are apt to lose sight of the fact that these achievements and this brilliancy and fine courage have been the characteristics of the few rather than of the many, and that most of our industries are still laggards in the race. . . . Many superintendents manage to-day as they managed of yore, true offspring of the industrial conditions under which they grew up. There is a fearful waste of energy, of human strength and thought, and even of life; and waste of time and material, and also of attention to relatively trivial things while more serious matters pass unnoticed. Heretofore we have depended much on mere drive, or as we call it 'hustling'—crowding into the compressed hours of busy days more and more, and winning out by intensity of effort and by dint of strenuous application, rather than by scientific efficiency which saves

all waste and applies the principles of the least effort to produce the greatest results. . . . There are many among us, too, who from habit or necessity, and in part at least as a result of training, keep on doing well, and managing well according to the rule-of-thumb standards, without thinking whether there may not be some better, easier, more productive, and less costly method."

In view of Secretary Redfield's statement it is a matter of no little interest for the student of salesmanship that the attention of managers has been chiefly centred on tactics, while strategy to a very large extent has been ignored. Indeed, almost the only systematic attempt at a method of business strategy is the attention which has been given to advertising. The advertising policy of a house is a definite effort to get into contact with customers or prospects, but beyond this, business strategy has to a large extent been overlooked. And here perhaps, in this important but neglected field, we should consider the policy of the house.

For present purposes the policy of the house means its reputation for service, and closely connected with service is the manner in which it treats its customers. The importance of the price and quality of its goods, if the house sells merchandise, or its service, as in the case of credit reporting, collecting, auditing, forecasting financial conditions, and similar operations, needs no discussion. Every business man is well aware that price and quality are never overlooked by those who buy. And it is also known that while customers may be deceived once in the quality of merchandise or service, they rarely give the same firm a chance to repeat the operation. But there are other factors of service which have not received their merited attention, and a large class of these may, perhaps, be best described by an illustration that was recently brought to the writer's attention.

† It was a case of controversy between a small-town mer-

chant and his wholesale house. Some of the goods received were thought not to be of the quality which the retailer felt justified in expecting, but he had received them and discovered the defects only after he had opened the cases. The amount of money involved was not large, but, rather curiously, business men have not yet learned to make distinctions. A case involving twenty-five dollars is subjected to the same red-tape treatment as would be given to a twenty-five-thousand-dollar controversy. And so it was in this instance—but let the merchant tell his own story.

“The order was small but my indignation was great, for I had bought the goods with some hesitation upon the strong recommendation of the salesman. Probably my doubt of the wisdom of the purchase increased my anger when the goods did not look quite as satisfactory as I thought they should. Possibly, also, my doubts influenced my judgment. At any rate, when I was asked by the wholesale house to show in what respect the goods were not up to specifications, I was unable to be very definite. This also may have had something to do with prolonging the controversy. At all events the matter dragged on, and meanwhile the goods were occupying floor space that I needed for other purposes. I do not recall how many letters were exchanged, but there must have been at least ten, and as one letter after another of inquiry or statement came and I was obliged to take my time to answer them, I grew more furious. You know that few of us country merchants have stenographers, and consequently we must write all of our letters with pen and ink. Doubtless my increasing anger caused me to say things that were irritating, and their letters did not reduce my heat. I could not get a definite statement from the house regarding what they were willing to do. First one man replied, and then the matter seemed to be referred to some higher officer in the company. As a result I had to begin all over again and restate my case from the beginning. Finally, the

controversy was referred to still a third man, perhaps the head of the claim department. At all events it was necessary once more to repeat all that I had said several times before. At last I became so angry that I packed the goods and shipped them back, notifying the house of the shipment and telling them that I would not accept them at any price, that they could do as they d—d pleased about crediting me with the amount of the bill. Then it looked as though they had just discovered that I was mad, for they wrote at once assuring me that credit for the amount would be given on their books, and a few days later a representative of the firm arrived to straighten the matter out, but I told him that I had wasted enough time trying to tell my story, and was through with the house."

Was this good sales strategy on the part of the wholesale house? Considerable time of several men for a period of two months was given to correspondence about a matter that should have been settled by one exchange of letters, and in the end the trade of the retail merchant was lost. Further, what sort of a sales talk about this house do you fancy the retailer gave his brother merchants from other towns when he met them at various times? Business men are too much inclined to assume that salesmanship begins and ends with the men who represent the house on the road. But delays in settling claims, and letters unhappily phrased can easily destroy all of the good-will that the best salesman of the house can create. Every letter sent to customers is an advertisement, good or bad, for the house. Follow-up letters are usually prepared with care, because they are recognized as "advertising copy." Indeed, so clearly is their importance seen that these letters are frequently submitted to consulting psychologists for approval or revision. The writer can make this assertion with confidence since many have passed through his hands. But the advertising significance of replies to the daily grist of mail is not yet appreciated; and when claims

for refund are presented, the long-delayed settlement, together with the tedious, irritating correspondence that precedes it, destroys the good-will value which concession would otherwise have gained. Effort is usually made finally to satisfy the customer, but in both wholesale and retail establishments satisfaction is too often accompanied by friction that leaves the customer little better satisfied than he would have been had his request been refused. It seems to be a rather common human characteristic to grant justice, or, if you do not like the word, to make concessions, so grudgingly that it irritates as much as refusal would. And this is something which business men have not yet learned.

Another instance of irritation different from that described above came to the writer from the patron of a large department store in Boston. This patron received a bill for goods and paid it with a check. The following month another bill arrived for the same goods. The purchaser wrote that the bill had been paid by check, and that if they wished she would mail the cancelled check to the house. The firm replied with proper apology, but the following month a third bill came for the same goods. Then the purchaser was angry and replied that she had paid the amount, had the cancelled check, and would give no further attention to their bills, that they could sue her if they wished to do so. On the next day a representative of the firm called to say that it was all due to an oversight, and to apologize. But now the woman was on her mettle, and she said that she had another score against the house. A month before she had bought an afternoon gown for one hundred dollars and, after repeated efforts, the fitter had been unable to alter it to her satisfaction. Nevertheless she had accepted it.

"We will take it back and refund your money, if you wish," said the firm's messenger, ready now to make any concession that friendly relations might be re-established.

"But I have worn the gown half a dozen times, though I never liked its fit; and I have had a seamstress try her hand at altering it."

"That doesn't matter," replied the anxious representative of an equally anxious firm, "we will accept the gown and credit you with the purchase price."

Rather an expensive reconciliation, was it not? And it all resulted from failure to pay adequate attention to the woman's first letter, in which she stated that she had paid the bill and could produce the cancelled check. The writer sometimes wonders, for he has notes of many similar cases, whether business firms fail to read letters through, or, again, whether those who reply are unable to get the point of the letters which are referred to them. May the answer to these queries be found, perhaps, in the statement of one high-salaried manager that no office man is worth more than thirty-five dollars a week?

✓ Several things might be said regarding the salary value of subordinate office men. The first relates to the manager mentioned above, who felt that one well-paid man, when that man was himself, was sufficient for any office. The writer has several memoranda among his notes which indicate that the quality of the office work of this firm, including letters to customers, is well expressed in terms of the low salaries paid. The second thing that may be said regarding the salary value of subordinates is that, other things being equal, a man is worth what his superior makes him worth. The writer knows managers under whom no man would be worth ten dollars a week. The only way to make office help valuable in those houses is to begin by replacing the manager.

But we have wandered a little from our theme. The two cases of dissatisfaction of customers which we have quoted, were given with the thought in mind of the policy of the house. No doubt the president of a company has determined upon his policy so far as it relates to the treatment

of customers, but do the subordinates always understand his policy? And the writer is convinced from a rather extended inquiry that if the first statement is correct, if the chief executive always has a clearly defined policy, subordinates high in the office, or clerks in a store, are frequently either unacquainted with this policy or are incapable of carrying it out. And we should emphasize again that subordinates are worth what the management makes them worth. They come to the firm with certain ideas about the meaning of efficiency and about the treatment of customers together with the manner in which this treatment should be administered. Then these ideas are remodelled in the office or store.

Whom do your wholesale or retail salesmen represent? Have you ever faced this question squarely? Do they represent your firm or your customers? Are your immediate interests—to get as much for as little as possible—dominant in the minds of your salesmen, or do they understand that they represent the customers in any sale which they make?

Do not underestimate the importance of these questions, for upon the answer to them depends the feeling of your customers regarding the policy of your firm regardless of your wishes and intentions. Your intended policy is one thing; the notion which your customers have regarding it is another. And very commonly the two are widely different. Then, too, in the matter of business honesty, do your salesmen and saleswomen know that if they misrepresent facts to a customer even in the smallest degree they will be discharged? Let the question be put again: Whom do your salesmen represent, you or your customers?

Be assured that if you have not answered this question your customers have, and their answer may explain why your business has not increased though that of a competitor has gone forward by leaps and bounds. It is not always the advertising that brings trade. Admitting the value of paid

space, in the last analysis the best advertising of any firm is the conviction that the trade has regarding the square dealing of the house. If this policy satisfies them—if they like it, if they feel that it includes their advantage and welfare as well as yours—the advertising for which you pay will bring returns. But, on the other hand, if your customers believe that their interests are omitted from your business policy, and from that of your salesmen, the space that you pay for is an extravagant waste of money. Good-will cannot be purchased in the advertising page.

What is good-will? One of our judges<sup>1</sup> has defined it fairly well: "Good-will," he said, "is nothing more nor less than a realization on the part of the public that they can get *service* which is worth while from a business organization. A business, be it mercantile, manufacturing, or other, . . . is the advantage which exists in established trade relations not only with helpful customers, but with the trading public in general; and it is the advantage of an established public repute for punctuality in dealing, or superior excellence of goods or product; finally, in the last analysis, good-will, when it exists, is one return for the expenditure of time, money, energy, and effort in development; it is a thing of value in the sense that it is a subject of bargain and sale, oftentimes of a value which exceeds all physical assets taken together. . . ."

† In a large department store the writer recently observed an incident which was illuminating from several points of view. A woman was returning a pair of shoes which were not comfortable, and she wanted credit for them. They were in as good condition as when she purchased them, but the clerk spent half an hour trying to convince her that the shoes were a perfect fit. He did not realize that comfort was settled by the wearer of the shoes, and that if she felt that they were uncomfortable, that settled it. The woman became greatly irritated, and finally said that

<sup>1</sup> Justice Wright.

she would not take the shoes, and if he were unwilling to credit her with the price, she would never enter the store again. Then the clerk called the manager of the department, who saw at once that the woman was much incensed against the manner of the clerk which she accepted as representing the policy of the store. He knew well that no article in his department was worth as much as the good-will of a customer, and, therefore, he said at once that she should have credit for the shoes, and then spent half an hour trying to undo the harm which the clerk had done. The woman had achieved her purpose, but she left with a feeling of resentment. ✕

There are two widely different ways of granting favors; a clerk or travelling salesman may assent to a request graciously, without showing any signs of annoyance, or he may yield with evidence of irritation. The first method preserves the friendship of the customer and the second leaves him with a feeling of dissatisfaction. As we have said, favors may be granted in such a way as to lose their good-will value, and in such cases they might as well be refused. These requests are never wholly new or unexpected, and it is the policy of the house either to grant or refuse them. If the house policy is to keep the customer satisfied, the salesman should yield to the demand so pleasantly that there is no sting in the victory. Travelling salesmen must settle these matters for themselves, and, of course, any house that does not acquiesce at once in any decision of a salesman does not deserve good-will. If the judgment of the salesman is irremediably bad, the proper course is to accept his decision and then dismiss him. But in a retail store where the clerk may not have authority to decide, the matter should be referred at once to a floor-walker, or, in extreme cases, to the manager of the department. Even this delay, however, is irritating, and if such cases are frequent it shows that the store is without a definite policy in the matter of granting favors of this sort.

The writer is familiar with stores in which the clerks have authority to decide these questions without reference to superiors, and also with other stores in which clerks are evidently permitted to do nothing but sell. And the attitude of the buying public toward the two types of retail merchant is quite definite. They seek the place where they will get what they call fair treatment. Merchants must, of course, settle this question for themselves, but the success of such men as Marshall Field and Wanamaker shows that the policy of regarding the customer as always right, works, even though at times it may result in loss. The question at issue is the value of good-will. Is it worth occasional financial loss?

That some retail merchants have thought the matter through and regard even losses as profits is shown from a story told the writer by the general manager of a large department store in Chicago. A woman returned an article which she said she had bought at the store the day before. It was evident that she was not telling the truth because this store had never carried that particular make, but the floor-walker, very properly, as the manager said, accepted the article, and credited her with the amount which she said she had paid. "I know," said this manager, "that she will tell her friends how 'easy' we were, and that will be worth in advertising many times the cost of the article."

This was only an incident in the policy of this store to establish and preserve the good-will of the public, but, after all, it is the single and at times apparently trivial cases that reveal the policy of a house. A short time ago the writer learned of another equally trifling instance, as some managers would regard it. A woman had invited two or three friends whom she chanced to meet at noon in a department store to have a cup of coffee with her. To her embarrassment the cream was slightly sour, and before leaving the store she stepped into the office of the general

manager to express her displeasure. "It is one of the unfortunate things that sometimes happen in the best regulated families as well as stores," was the pleasant reply. "I regret that we cannot obliterate the annoyance to you and your friends, but we will do the best that we can. Your bill for the lunch, you say, was three dollars. I will see that no charge is made, and I hope that you and your friends will report any similar experience in this store."

A curious distinction is sometimes made between public-service corporations and what is called individual or "private" business. As a matter of fact there is no private business. All business is dependent upon the good-will of the public. The statement "if the government would not interfere we would get along all right," is nonsense. Interference by statute with business is the last attempt of an outraged public to right what the people feel is an acute injustice. And, as we have said in another connection, though the people may not understand all of the perplexities of a situation, the fact that they have become sufficiently aroused to force their state or national representatives to act is conclusive evidence of a wrong that needs righting. Our "statesmen" do not act until the writing on the wall is very distinct, until large numbers of people demand that their interests be protected. A law regulating corporations is the last scene in a long human drama in which the angry spectators rush the stage to change the ending of the play.

But ideas travel slowly, and "private business" has not yet heard the news, or if it has, its officers have been unable to apply it to their own concerns. This is another illustration of the statement, "our business is different." No business is so different that it can ignore the good-will of the public. The Standard Oil Company, the American Sugar Refining Company, the telephone and meat-packing companies have discovered this psychological principle, and to-day they are annually spending large sums of money

trying to convince the public that their only purpose in doing business is to serve the people.

When will business men learn that success is dependent upon the good-will of those with whom they must do business? When will they grasp the fundamental idea that "business exists for the community and not the community for the business?" When will retail and wholesale houses discover the first and foremost principle of advertising, namely, that the confidence of customers and prospects is worth more than all of the paid space into which they throw their money?

It is a pitiful commentary on the intelligence of business men that they must be compelled by law to refrain from adulterating foods, and that they must be forced to give full measure and weight in the packages and bottles which they sell, that inspectors of weights and measures must be appointed and paid by the people lest they be cheated by those who want to do business with them, that laws must be passed to prevent companies from combining to advance prices, and, finally, that the public to whom these companies want to sell is quite aware that they try to evade these laws and defraud the people legally by gentlemen's agreements and price quotations. Is the good-will of the people of so little negotiable value that business men can afford to list it in their inventory of assets as worthless?

The extent to which public sentiment has forced the national government to intervene that business may be conducted in accordance with social justice is shown by a recent book.<sup>1</sup> Some seven or eight hundred judicial decisions in governmental regulation of business are cited, and the evidence presented indicates that the intervention of the government in the interests of the people is becoming a rather common occurrence. Since, as was said a moment ago, governmental interference does not occur until the

<sup>1</sup> *The National Government and Business*, by Rinehart John Swenson.

demands of an exasperated public are irresistible, the increasing frequency of these interventions is worth serious thought by business men. Is it good business policy to continue to irritate the buying and, in the last analysis, the legislating public? When will business men learn that the first principle of good-will is voluntary rather than forced service to the people whose patronage they solicit?

As this is being written the complaint from summer-hotel owners about poor business is heard throughout the land. The cause, they say, is the automobile. "People no longer stop; they drive on." Men must find some other cause for failure than their own lack of business vision, and the automobile is a good excuse. It has been made the scape-goat for many intellectual as well as moral sins. But so far as summer hotels are concerned the writer has heard scores of automobilists say that they drove till late in the night to reach a hotel the name of which had been passed along as a place where one could get good service at reasonable rates. And the writer also knows of other hotels which, in spite of the automobile, are turning away applicants because their rooms are filled. The hotels which are lamenting lack of patronage are those that have doubled and quadrupled their rates on the plea of high cost of food and service, and yet do not furnish either food or service of a satisfactory sort.

When prospects drive or walk past your place of business to trade elsewhere, "there's a reason," and you will do well to look for that reason in yourself, in your methods and policy. Are you serving the public or yourself alone? If you are managing a hotel, do you regard motorists as victims whom Providence has given into your hands for plucking? Do you think that a good sale is one in which you alone make a profit? Whom, again, do you represent, your customers and prospects, or do you represent only yourself or your house? What reputation has your house for service? Do you deal fairly in price and quality without

being compelled by law to do so, or do you conform to price quotations and gentlemen's agreements?

"The public has it in for business," said a business man recently to the writer. Well, if that is true it also has its reason. Did you ever hear of a man being accused of a crime without some evidence against him? Are you quite certain that business can come into court "with clean hands"? If you feel unjustly accused, read the history of railroads and street railways; follow for a short time the answers which corporation officials give in court when accused of monopoly in restraint of trade; observe that their defense consists in an appeal to legal technicalities; notice that a prolonged depression in the price of raw material, such as wheat or cowhides, is often accompanied by a rise in the finished product; stand on the river levee or the banks of the bay and watch the fruit float past, fruit that has been thrown away that the price may be maintained. If you observe these things and reflect upon them you will not wonder that the consumer and prospect hold business under suspicion. Is it good business strategy to stand aside and permit these things to be done? Be assured that your own business, however innocent, will be involved in the general suspicion.

The writer makes no accusations; he is stating certain facts which have come under his observation, and he is raising the question of the strategy of salesmanship. When these facts raise doubts in the minds of prospects and cause them to look askance at your business, do you blame them? The Eighteenth Amendment was passed because the people lost confidence in the decency of the saloon. Whatever may be one's opinion about the wisdom of the amendment, there can hardly be a doubt that its passage was hastened by many years because of flagrant abuse of the "rights" of business. What active part are you taking in the campaign for "better business"? Are you watching the contest from the side-lines on the plea that "my business

is different"? If you are merely an interested spectator, be assured that your business will not escape the general distrust.

"I have no sympathy for the railroads"; "I am not sorry to see street railways go into the hands of a receiver"; "a few years ago I hesitated to leave a retail store without buying after having taken the time of a clerk, but now I am utterly callous in the matter," are remarks frequently heard to-day. The writer has heard similar ones many times within the last six months, and they have caused him to reflect upon the strategy of business—upon the preparation which should be made and the work that ought to be done before the salesmen begin to sell.

The writer is quite aware of the advance in raw material and in service, but he also knows from conversation with progressive business men that the great majority of houses, both retail and wholesale, have met the situation in the easiest way, namely, by advancing prices. They have not set themselves seriously to the task of reducing overhead expenses by better internal organization. They have not adopted the scientific method. Many business men do not know what efficiency means, and they look upon it as just a new fad. Well, it is new, but it is not a fad, for it is here to stay; and those business men who prefer the methods in which they were trained as boys will soon have bad dreams of business adversity.

A few weeks ago a manufacturer told the writer a bit of personal business history. "I had always looked upon the so-called expert as a useless luxury," he said. "How could a man who, perhaps, had had no business experience, and certainly no experience in my business, come into my office and instruct me? I have grown up in this business; my father had it before me and shortly before his death it became so large that a reorganization with a board of directors was necessary. I passed through all of these changes, and my father trained me in the management

which he knew I must soon assume. But lately things have not been going so well. A few competitors, and one in particular, have been passing us. I could not understand it, and I have lain awake many a night worrying over the prospect. Finally I decided to call in an expert, for, as I reflected, he could not do any harm and he might call my attention to some things which I had not noticed. You see I had been impressed with the fact that a man tends to follow the line of least resistance, to remain with antiquated methods merely because they are the ones to which he is accustomed. Perhaps, I thought, this new freak called an expert will shake me out of some of my old, expensive methods. So I engaged one and told him to go ahead and investigate the whole business.

“Well, the first thing he discovered was that I was wasting a lot of good men in positions for which they were not fitted. We had been promoting our employees by seniority, and if we did not do it in that way the promotion was more or less a guess. Personal likes and dislikes played a part at times because I have always believed in accepting the judgment of the managers of the various departments. I felt that I must either take their advice or dismiss them. Consequently I followed the principle of harmony in the organization to its limit. But that sort of harmony always brings favorites to the top. Climbers rise to the surface though they may not be the most capable. Indeed, one of the useful observations which this investigation brought to my attention is that the men who make the most bustle and noise are usually not the most dependable. The notion that ability is always discovered, that good work is always seen, and that the efficient men rise above the inefficient, is bunk. The sort of men who will come to the top depends, in the large, on the kind of foremen and department managers whom one has, and upon the system or lack of system in the organization. Our plant, I discovered, was honeycombed with inefficiency on account of fa-

voritism. Loyalty was a personal matter all the way up the line of foremen and department managers. The first thing that we had to do was to discharge several of these men and to fill their places with others from the ranks, and when this was done production went forward by leaps and bounds.

"I also learned, to my astonishment, that more than one hundred different forms were used in the cost department with ten times more men to do the work than when our output was one-half as much. And the office force was six times greater than when we did half our present business. Again, overlapping responsibility was wasteful in many ways. In the matter of advertising, also, we were spending a great deal of money without any adequate system of checking up results, and an investigation showed that, at a conservative estimate, much of this money was wasted. If you ask how this state of affairs arose, I can only say that the business grew very much as Topsy did—without plan or system. You see, scientific management and expert psychological advice are comparatively new, and I, in common with many old-line business men, did not think that any one outside of my business could tell me how to run it. I was like the farmer who thinks that only men who pitch hay and plough all day know anything about farming. But the progressive farmers now know that fertilizing soil is a scientific question, and that they may continue to feed chickens that do not pay their board bills.

"I would not dare tell you how greatly our production was increased after the renovation, because you would not believe me, but I can assure you that the output was more than doubled while the overhead expense was reduced. I had been centering all my attention on buying and selling, and that is what most business men are doing to-day. My principle was to buy as cheaply as possible with due regard to quality, and then to sell at as low a price as the market demanded. I was always telling our salesmen to

hustle, and blaming them for failing to keep up with the game. But I had no very clear notion of our costs beyond the price of raw material, wages, and salaries. This investigation proved that I knew nothing at all about the comparative expense of the different parts of the organization. I did not know that some departments were run at a needless cost which more than offset the efficiency of other departments. My attention, as I have said, was focused on buying, on the wage and salary schedule, and on selling. All of the factors that intervene between buying and selling were ignored because I did not know about them. When the business was small they were unimportant, but the enormous expansion of industry and commerce to-day has multiplied their significance many times, and with their increased importance a new kind of work has arisen—the work of organization and of what I may call efficiency photography. The expert does not tell us how to run our business any more than the soil, poultry, and dairy expert tells the farmer how to run his farm. The dairy expert may know nothing about soil, but all of these scientific men give the farmer information which he may use in his management of the farm—knowledge that he does not have and cannot get without their help, and which is very valuable to him in making his decisions. And it is the same with the different kinds of business experts. They do not pretend to tell us how to run our business, but they do claim to be able to put certain information in our hands which will enable us to make wiser decisions. And my experience has convinced me that if they are carefully selected their claims are justified. They give us a photographic view of our business which we cannot get ourselves because we are not expert business photographers. And I should add,” continued this manufacturer, “that the greatly increased production caused by improved organization, lowered the cost of our finished product so that our sales more than doubled during the following year. And this I fancy is one

of the things of which you were thinking when you asked me to give you my notion about the strategy of salesmanship."

The writer makes no apology for telling in detail this long story as related to him by one business man. It could be duplicated in any line of business. The efficiency expert of one of the largest banks in the Middle West said recently in conversation that a part of his work is to put on paper a photographic view of the condition of business and of the bank at occasional periods, and then to ask various officers of the bank for their notion of the financial situation of the country and of the bank during these periods. He always finds, he says, that these officers do not have the facts which would have enabled them to deal adequately with the conditions had certain possible contingencies arisen. The ultimate purpose of this expert is to keep the officers of the bank posted regarding the financial situation of the country and the condition of the bank, in order that they may have the information needed to meet trying, if not critical, periods. But the officers of banks, like business men in general, think that they understand their business better than any staff expert who, after all, is only one of the non-commissioned officers. Consequently the first step in the innovation was to convince these bank officers that they do not know as much about their business as they think they know. And in the bank to which we have referred, this first step has been taken, and the officers now admit that a special expert is needed who has the duty, among other things, of keeping them informed regarding present and approaching financial situations, that they may be prepared to meet emergencies which may arise. It is an instance of preparation for doing business, for selling the service in which banks deal.

We have been trying to show that selling—and any business service belongs in the category of selling—is the final process in a long series of acts. In other words, if goods or

services are to be sold, preparation must be made, and it is this preparatory process which has been largely overlooked in the exaggeration of the final act of selling. It is much easier for the president or manager of a company to put the entire responsibility of disposing of goods upon the salesmen than to accept his share of the responsibility and to admit that the preliminary preparation in the factory or house may be so inadequate that the final selling act is exceedingly difficult if not impossible. The notions which the salesmen get regarding the policy of the house—whether they are to be themselves and grow in knowledge, or whether they are to be mere imitators of “the best salesman”; whether the doer is to be exalted, with tacit condemnation of the thinker; and, finally, whether the good-will of the community at large as well as of customers and prospects is an asset worth including in the inventory of a business house—all of these, and many other principles and rules of action, are made in the home office of the house. These are but a few of the preparatory steps in the long series of processes that lead to the final act of selling. And the policy of the house regarding these matters will determine, in large measure, the achievements of the men who make up the selling organization.

## CHAPTER IV

## THE TACTICS OF SALESMANSHIP

THE writer has always been greatly interested in the tactics of Western cowboys when trying to "sell" themselves to broncos just off the range, and as yet unacquainted with the bit. The preliminary strategy of getting an interview with the prospect is simple; a lariat gives an irresistible suggestion that an appointment is desired; but when the interview is secured the different kinds of sales talks which these cowboys give are more instructive than a dozen manuals. An unbroken bronco invariably braces himself to resist blandishments, half closes one eye and, with the other, watches suspiciously every move that the salesman makes in his efforts to convince by argument or suggestion. "The approach" is especially important, particularly for the man who is trying to "sell" himself to the animal, while any attempt to hasten matters and force a decision prematurely is likely to end in a kaleidoscopic change in the situation which compels the salesman, when he has regained consciousness, to begin his sales talk anew. This is, of course, disconcerting to the "salesman," and often the embarrassment caused by frequent interruptions and intermittent consciousness makes him lose the guiding thread of his sales talk as laid down in the first principles of his manual. Considerable experience with broncos has led the writer to feel that they have many characteristics common to man. Neither, for example, looks very far into the future; both are opportunists.

When vacuum cleaners were first put on the market, to pass from broncos to men, the manufacturers were tremendously enthusiastic, as was natural with such a valu-

able specialty. But their enthusiasm ran away with their management. Advertisements were inserted in practically all of the monthly magazines and agricultural journals. An immense amount of money was spent and wasted in this publicity work. Salesmen saw a wonderful opportunity in this new labor-saving machine, and they hurried out into the country to show their samples to the farmers' wives and tell them the good news about this remarkable labor-saving device. But the cleaners were run by electricity which many of the farmhouses of those days did not have, and, consequently, the salesmen lost much time in finding housewives who could use them. Then, too, on account of the scarcity of salesmen, manufacturers, in their hurry to get their goods onto the market ahead of competitors, sold directly to country merchants, who did not know much about the new machine.

Of course, the first mistake was made by the manufacturers, who lost an immense amount of money by failure to attend to the processes preparatory to selling. But the salesmen, in turn, should have ascertained what sort of machine they were expected to sell, and then they should have found out whether the territory assigned to them satisfied the conditions which they must meet. To rush out into country places—and it was literally a rush—to sell a machine that required electricity without first learning whether many houses in their territory were equipped with this motive power was certainly an adventure in blind salesmanship, and many of these salesmen paid a heavy bill for their folly.

The moral of this true story of the early history of one business venture is that it is good salesmanship to know, first, what you are going to talk about before you begin to talk, and, second, to learn whether your talk will fit the conditions of your prospects. And these salesmen followed neither of these two elementary principles of salesmanship. They saw a chance and took it. They started out to sell

machines run by electricity without first ascertaining whether their prospects had their houses wired.

Impossible, do you say? Yes, like a good many other things—"impossible," yet true. Of course, the first mistake was made by the manufacturers who should have advertised only in journals taken chiefly by those living in cities, or in towns large enough to have electrical lighting. But the failure of the manufacturers to look ahead was no excuse for the salesmen. They should have known the article which they were to sell and, in addition, should at least have thought about the assigned territory sufficiently to see that the problem of electricity was the first one that they would have to meet. It is strange that this question did not occur to any of those who hurried into country districts to sell their wares. They did not know their goods, their uses, or their limitations.

The writer can say, without reservations, that this story of the vacuum cleaner is hardly stranger than many other cases which have come to his attention. Many times he has seen salesmen embarrassed by questions asked by prospects. And often has he heard salesmen pass lightly over a difficulty raised by the questioner much as teachers sometimes try to conceal their ignorance by a rapid flow of words.

"Find something worth getting enthusiastic about," we have said elsewhere; and now we add, find something worth selling, then study it until no question can be asked that you cannot answer.

"You want to know the secret of my success in selling," said a master salesman not long ago to the writer. "My secret is a simple one; no one, however much he may know about the history, development, manufacture, or parts of the thing that I sell, can ask me any question about it that I cannot answer. I know what it will do and how it does it; further, I also know what it cannot do. And I know the kinds of people who can use it. Indeed, I know

as much about those who are possible prospects as about the article itself. I have studied different communities and types of men with reference to what I sell. Kipling once said that if you are going to catch cod you must think as a cod. Well, I guess that is what I am doing. My machine can't think or sell itself. But if it could, it would succeed in angling prospects in proportion to the extent to which it could think as the prospects think. Since it can't do this, I must act as its substitute and think of prospect and machine in terms of one another. What thoughts, objections, and emotions would come into my mind were I the prospect, is a question upon which I often reflect.

"Detectives in the story-books, you know, try to put themselves in the place and state of mind of the criminal when the crime was committed, in the belief that by thinking what they would have done under the circumstances, they may obtain convicting clues. I take it that is about what Kipling had in mind, and it is also what I try to do. I ask myself, for instance, what would I think, or say, or do, if I were the prospect and a salesman should approach me with such a proposition as I have to offer. This, as nearly as I can put it, is the reason for my success."

The present writer, before he had the conversation with this master salesman, had intended to begin this chapter with the question: "What will you do with a customer or prospect after you get him?" Or, in terms of angling: "How will you land your fish after you have felt the bite at the end of your line?" The observations of this salesman, however, led the writer to change the form of the question to the following: If you were the prospect and a salesman came to you with your proposition, what would you do to him? You see this pushes the question back a little farther and makes it more fundamental, because your prospect will probably give you about the same reply and offer much the same objection as you would, were you the prospect instead of the salesman. The chief difficulty

in following this method is actually to get into the circumstances and state of mind of the prospect.

The salesman thinks so much in terms of selling that it is hard to get into the mental attitude of the buyer, but it is worth trying. For example, suppose you were a business man with a fairly large family and a moderate salary. If no unusual expenses must be met, we will assume that you can break a little better than even, but sickness in the family, with the doctor's bills, usually leaves you behind. Now a real-estate salesman wants to sell you a house. What would be your reply? What objections and advantages would arise in your mind?

Again, suppose that you were a small-town or country merchant, and a salesman should call and offer a new, and, under certain conditions at least, promising line of special goods. What thoughts would arise in your mind about the wisdom of the purchase? What facts would you feel that you should know before making a decision? What would be the objections to the purchase, and what the advantages? Then assuming that you decide to buy, what factors would determine the quantity? All of these questions lead to others as the prospect continues his reflection. Thinking as a cod thinks, you see, is only another way of stating the old maxim: "Put yourself in the other fellow's place, and see what you would then think."

What would you say and do to a salesman who came to you with your proposition? A detailed answer to this question will throw light upon the problems of young salesmen. It is the sort of question that skilful military commanders ask themselves when preparing to meet the enemy in battle. "What would I do were I in command of his forces?" And immediately another question follows: "Is the commander of the enemy's troops the same sort of man as I am? Does he think as I do and will he, consequently, do what I would under similar circumstances?" You see the importance of knowledge of the peculiarities of

the man with whom you are dealing, whether in war or in salesmanship.

All of the details with which these questions deal are matters of tactics. In the game of war contact with the enemy has been established. The opposing forces have been brought into close quarters by a long series of manœuvres. Up to this time it has been a game of strategy, and the success of the movements will be determined by the relation between the two armies. If the enemy's forces have been manœuvred into the position in which the leader of the opposing army wishes to have them, the strategy has been successful. Much, too, will depend upon the state of mind of the enemy's troops and of their commander. If they feel that their position is untenable under assault, so much the better. Thus far it has been a long-distance game of brains. Immediate battle has been neither expected by the enemy nor desired by the leader who is planning for a decision. Each has been making preparation for offensive action. But the moment that contact is established everything changes. The strategy, good or bad, is finished and tactics begin. And it is the same in business.

When the house has done its work by advertising in the various paid and free ways at the disposal of retail and wholesale firms; when the follow-up circulars and personal letters have played their part in the preliminary manœuvres; when the credit department has changed neutral non-combatants into active allies by the tact with which it has managed those who, because of temporary adversity, could not promptly settle their accounts; when the house has established a reputation for square dealing that has created good-will among its present and future customers, it is the salesman's task to discover what these people want in the line which he represents, and then to sell it to them. The strategy of the commander, who in this case is the president or manager of the company, has been, for the mo-

ment, finished. The preliminary movements designed to put the opposing forces of purchasers where the manager wants them and to create in them the state of mind that he wishes them to have, are for the time ended. It is now a question of the tactics of salesmanship.

The objections to a cut-and-dried sales talk have already been indicated, but a brief reference to it here is desirable, because the "talk" plays such an important part in sales tactics. The voice and manner of speaking are significant of what lies behind the words, as one may easily see by observing his fellow men. It is not so much the quality of the voice that the writer is thinking of at the present moment. That, of course, is important, because neither shrill nor colorless voices carry conviction. Consequently the training of an unpleasant voice should be one of the first things that a salesman thus afflicted should undertake. But the writer now has in mind the monotonous tone which so many young salesmen have, and which is favored, if not produced, by learning a cut-and-dried talk. Conviction is determined by the manner of speech quite as much as by the words uttered, and when the compelling qualities of voice are lacking, words do not influence men to action. The writer has often heard young salesmen ask questions or interpolate statements in the tone of a schoolboy reciting the lesson which he has committed to memory. And the fact that this fault seems more common in young salesmen than in those of the same age in other occupations, indicates that they are repeating what they have learned by rote. To be convincing, statements must be made with evidence of conviction, and cut-and-dried phrases put away for use never give this feeling to those who hear them. One can always see a difference in the manner of speech between imitators and repeaters, on the one hand, and thinkers on the other.

Closely connected with the effect of imitative language is the influence upon one's bearing and upon one's words

of thinking in vague phrases. This will be referred to later in another connection, but its significance in the tactics of salesmanship requires a brief discussion. Let us begin with a truism: To carry conviction, language must be clear and intelligible.

The writer is not exaggerating when he says that he never addresses a gathering of salesmen without some one in the audience asking about "the unconscious mind." The popularity of this phrase among salesmen is due to the books which they have read. Some of these books are written by men who know as little about psychology as they do about the vegetation and inhabitants of Mars. These writers catch a few striking words which are circulating among popular lecturers on "The Road to Success," "Character Reading," and "High-Power Salesmanship" and put them into their books because they sound well. But the reason why they sound well is that they have no meaning to the reader. That a large number of men and women to-day enjoy reading material which has no meaning may seem strange, but it is nevertheless true.

A safe principle to act upon is that statements from which you can get no intelligible meaning have no value, at any rate, for you. Do not think that words contain wisdom merely because they are obscure. Many times the writer has asked for the meaning of the subconscious mind, of salesmen who have used the expression, and he has always received much the same answer: "I know, but I can't explain it."

We are discussing the tactics of salesmanship, *and clear thinking is the first prerequisite of good tactics*. But clear thinking is a matter of training. One cannot simply determine to think clearly to-day and do it, if one did not think clearly yesterday. A man may not have the information necessary for accurate conclusions upon a given subject, but clear thinking requires that he know when he lacks the needed knowledge. Thinking also demands the differ-

entiation between drivel, or obscurity, on the one hand, and wisdom on the other. One thinks clearly every day, or he does not do it at all. To be sure, a man's premises may be wrong, and this is a common source of false conclusions. In such a case there is nothing to do but to straighten out his first principles—the foundation upon which he builds the arguments leading to his conclusion. The task, of course, is about the most difficult one in the world, because a man's first principles, the foundation of his thinking, seem quite self-evident, since he has never known "intelligent men" to hold other views. This, however, is a subject which does not concern the thesis of this chapter beyond its effect upon the tactics of salesmanship. And that effect, if we may be pardoned for repeating, is expressed in the statement that good tactics follow clear thinking.

A salesman's tactics should be no more cut and dried than his talk. This is especially important because it is a human tendency to acquire a method of doing what one must do every day. Usually the method or plan catches us instead of being caught by us. A certain approach and device for securing the attention succeeds with the first few prospects whom we meet, and we assume that it will always work. Or, perhaps, the method into which we fall is the plan used by a master salesman in the house. When a young salesman adopts it, he does not always observe that the master salesman has characteristics which make his method of approach peculiarly personal and effective for him, though with another it might be crude and bungling.

You see the need for thinking in clear, unambiguous terms. Resourcefulness is immensely important in salesmanship, because to be successful a salesman must be able to adapt himself to different types of prospects; and resourcefulness is only one of several names for the product of the factory that does our thinking. The thoughtful salesman, as we have seen, feels his way, observant always of

the individual peculiarities of the man to whom he hopes to sell.

Adaptation to those greatly superior to us in education is well-nigh impossible. A man who habitually speaks ungrammatically cannot by any act of will suddenly talk correctly; neither can one unacquainted with good literature meet a widely read prospect on his own level; nor, again, can a man who is ignorant of recent developments in science, so graphically pictured by Slosson, make a good approach to one who devotes all of his leisure time to reading scientific books. We have emphasized in another chapter the value of education for broadening the vision of those engaged in specialized fields of work. A wider outlook enables one to find more meaning in what would otherwise be commonplace and monotonous. Fabre, the entomologist, discovered exciting and sensational adventures among house-flies which most people think are made to swat.

But in addition to the meaning that education puts into routine work, and beyond its service to the art of thinking, we now find that it has a distinctive utilitarian value. It puts one in a position to adapt oneself to any class of prospects. If a somewhat illiterate man is buying an automobile, he resents the superior attitude of an untactful salesman. In the same manner, a highly educated man has more confidence in a salesman who measures up to his standard. Education, then, does not make a "high-brow" of a man; it rather gives him a perspective which will allow adaptation to either one extreme or the other.

"To be sure, I enjoy myself more because of my college education," remarked a salesman to the writer recently. "I see more meaning in what would otherwise be a daily grind. But the practical advantage of my years of study is that I am not afraid to tackle any prospect no matter how much he may know. You must not, however," continued this salesman, "interpret this as conceit. I am quite aware that I know little of what might be known, though

I have tried since graduation to keep informed about writers and scientific progress. When I say that I do not fear the knowledge of any prospect, I mean that however much he may know about any subject, I also know enough to ask intelligent questions. In other words, I do not need to keep my lips sealed to avoid making a fool of myself. And I have found it a tremendous help in getting into personal relations with men who would not open up to other salesmen. Many a time I have sat and talked for more than an hour with such a man about his hobby in science or history, or about his favorite author. Some would call this wasted time, but I have sold a good many automobiles as a result of such conversations. The other day I ran into a man who had been reading an article on English and American writers to the disparagement of home talent. He was red-hot, and when I saw him he was resting for a few moments after luncheon. He threw the journal down and swore. Not a good reception for a salesman, you will say. Well, I sat down and we compared opinions about English and American authors. I did not mention automobiles. After half an hour I told him that we ought to have a chance to talk it out and asked him to go with me on Sunday for a country drive. We went as planned, and still I did not mention automobiles. I was not worrying about the 'approach,' or about getting his interest and attention. The approach had been made, and I had his attention and interest, though not in automobiles. But I knew that would come in time. Just now we were talking authors.

"It was the man himself who changed the conversation to automobiles. I knew he would, because I was driving our latest model. She is a beauty, and rides as gently as if you were on a bed of down from little chicks. Well, we talked automobiles just as we had talked about literature, but I said nothing about being a salesman for the car. Finally he asked my business, and I told him that I was

selling the car in which we were riding. Then I added that I had entered his office to sell one to him, but that to try to do so now would be like shooting a man whom one had just entertained at dinner. So I said that I would let him escape this time, but to be ready to draw his gun when we met again. This happened two weeks ago, and yesterday his secretary telephoned me that he wanted me to call and talk cars. I went, and within half an hour had sold him one."

This rather long story has been told because of its significance for the tactics of salesmanship. "But there were no tactics," the unobserving reader may exclaim. "The salesman talked about literature and the man happened to want a car." True, but the salesman first sold himself to the manufacturer because he was able to meet him on his own ground and talk intelligently and interestingly about things in which the manufacturer was interested. He knew that if he did this he would sell the car whenever the man was ready to buy. It was the best sort of adaptation; the tactics were superb.

And if you reply that selling is always easy when a prospect wants to buy, the writer asks how many salesmen would have gotten into cordial relations with the man, who at the time of introduction was mad through and through because a journal had said that American writers are inferior to the English? What manual tells you how to meet such a prospect? This salesman's education put him above rules, he was able to meet men of varied intellectual interests on terms of equality. Opportunities are not accidental occurrences. Every one does not have them; they come only to those who are prepared to see and use them. And making use of opportunities is employing tactics in a given situation. If your tactics are always the same you are a rule-of-thumb man. Adaptation to varying situations means changing tactics to meet emergencies. This is tactical efficiency. Whether you can make the necessary

adaptations in such circumstances depends, as we have found, first on your ability to distinguish between situations, and second on your tactical adaptiveness. But without the knowledge which the situation requires there can be neither understanding nor adaptation.

We are urging the value of a good start. Never attempt to sell without a plan, but do not be a slave to your plan. Think in concrete terms. For example, say to yourself: "This method worked with Mr. X largely because of these peculiarities which characterize him, but it will not work in the case of Mr. Y, because he does not have the same characteristics as X. On account of the differences between these men I must make certain modifications in my plan of approach. But before doing this it will be necessary for me to analyze Y's character and personality so far as I can, and then make such alterations as my new knowledge calls for."

The writer does not mean to imply that all emergencies can be prepared for in advance. But because situations change unexpectedly, either from faulty analysis of the prospect or on account of the sudden appearance of unforeseen factors, we are not justified in beginning without a plan. A well-worked-out plan gives one an insight into motives and ways of using them, which can be obtained in no other way. Then, if, in addition, possible contingencies are considered, together with ways of meeting them, the road is open for variation from the fixed and irrevocable responses of rule-of-thumb men. The imagination based upon knowledge of human behavior plays its part in this preparation to meet changes in situations. Let us take an example from an allied field to show our meaning. Public debates have many points in common with salesmanship.

All debaters who deserve the name, study not merely their own side of the argument, but, in addition, they investigate the replies that their opponents may make and the arguments which they will bring forward in support

of their points. No good debater ever steps upon the platform without first going over the whole field of arguments against the propositions that he hopes to put across. He would inevitably meet defeat were he to study merely the facts which support the arguments that he will present. And a large part of his preparation is planning to meet statements that would take less skilful debaters by surprise. In his imagination this debater puts himself in the position of his opponent, and tries to discover what facts he would adduce were he in his place. And thus this debater plans to meet variable rather than fixed conditions. In his imagination he is searching for the unexpected, and consequently nothing surprises him.

It must be remembered that the debater has something to "sell" to his audience. He wants to send them away convinced that the proposition in support of which he speaks is correct; he tries to demonstrate the superiority of his "goods" over those of his competitor on the platform. But if he seeks to prove this superiority by condemning the wares of his opponent he will fail in his purpose, because intelligent people want facts rather than invectives. Consequently the more favorable things he can say about the goods of the competing debater and still show that the weight of argument is in favor of his line of goods, the stronger will be his position. The cleverest debaters are those who, with other skilful tactics, disarm their prospects by the many complimentary things which they say about opposing facts and arguments, and then, with the audience thus disarmed, begin a powerful offensive by showing that the admissions do not touch the essential points in the proposition which they are trying to sell. Any public speaker who has not already won a reputation has a doubtful, if not hostile, audience when he appears upon the platform. And the first thing that he has to do is to gain their sympathy and confidence. If he does not do this before he lays his proposition before them, he

will certainly fail to convince them of the value of his "goods." Incidentally the similarity between fairness and honesty on the platform, on the one hand, and the good-will of a business house, on the other, is worth a moment's digression. A public speaker with a reputation for straightforward argument, without camouflage, or a lawyer who is known for fairness to his opponent and who relies upon the strength of his case rather than upon tricks, has the good-will of his prospects—the audience or jury—the moment he begins to speak. And, as in business, this is a valuable asset.

But even those who begin with the advantage of an established reputation should start their approach with the knowledge that good-will is transitory, that it is only a favorable introduction and must not be presumed upon too far. Speakers and salesmen alike have to win the prospects for themselves. Not all salesmen from houses of good reputation sell their goods. The tactics of approach and of bringing prospects to a decision are as important for those who have the asset of good-will behind them as for those who represent an unknown house. Many salesmen rely too much on the work of those who have gone before them. They are prone to assume that the good-will of their house will carry them on regardless of their own lack of endeavor.

We have said that a definite plan of campaign should be prepared, and this means a plan designed to meet varying types of men. It is easy enough to prepare a general plan, but a universal scheme does not meet individual cases. A universal plan reminds one of Charles Dudley Warner's story of shooting at a bear in general. If a bear is your prospect, you must shoot at him in particular, and not in general. And hunting bears, like hunting other prospects, means knowing a good deal about them. Then, when you have your bear, you should know where the vital spots are. Killing lions, elephants, and bears are specialized

propositions. A man may be a very good bear-killer, but make a poor showing when it comes to lions or elephants, and the prospects whom a salesman meets are quite as much of a mixture. There are a good many bears and elephants among them, and few lions. Consequently, a salesman should study the nature and habits of the various types of animals that may be met with in the human zoological garden which we call the earth; and he must learn something about their anatomy, that he may know their vulnerable parts. All men are not vulnerable in the same place. With some it is the heart, and with others the brain. In the case of the former the appeal should be made, not to the emotions in general, but to the particular emotion to which the prospect is peculiarly sensitive; and in the latter case arguments are needed, because such a man thinks in terms of facts. Some men, again, like occasional beasts of the forest, are vulnerable only when shot through the eye. Visual demonstrations are needed to bring these men down; and, not to prolong these jungle metaphors, there are also those who are bagged best through the hand. These people want to handle objects. Hand movements and the touch perceptions are essential to their thoughts and emotions. They think and feel in large measure through their hands.

Evidently considerable well-selected and organized knowledge is needed by the young salesman if the beginning of his career is to be auspicious. The writer has already said that one's life-work may best be regarded as an adventure upon which one is setting out, and now he asks that he be allowed to repeat and emphasize this view of one's vocation. But the reader should not interpret adventure as a playful game of youth. He is not going out on a camping party to eat from Aunt Jemima's pancake flour and tin cans. One's career is too serious a matter to compare it with an adventure in which one sits in a white-flannel suit while the Gold Dust Twins do the work.

Let us rather compare making a career to an exploring expedition to the Arctic regions, where many unforeseen emergencies will arise, and must be met, if one is to return successful from the journey. Now, if one were to undertake such an adventure, there are two questions which must be asked and answered before the start is made: first, what is the nature of the region that one is to explore, its geography, so far as known, and the vicissitudes that one is likely to encounter? And, second, what equipment should be taken?

If, then, we compare our imaginary Arctic expedition with adventure into the business world, the two questions which we have asked may be repeated in terms somewhat as follows: What is the nature of the business upon which we are entering? Too many questions for present enumeration are suggested by this one, but the thoughtful youth will see at once that the only way to find these questions is to begin a systematic study of the problems which modern industry and commerce have created. As for the second query, What equipment should be taken? the equivalent question for the young business man is clear. What should be my preparation for the adventure upon which I am about to enter? We are urging, you see, that the young salesman make a preliminary survey of future emergencies and needs before starting on his interesting and hazardous expedition. Emergencies, to paraphrase Stefansson, are inexcusable, because they come only to those who are unprepared. Consequently it is wise to make a good preparation before starting. Of course, a business adventure has the advantage of Arctic exploration in the fact that additional business equipment may be obtained along the route. But if one does not have a well-selected outfit at the beginning, one is likely to meet disaster before the saving equipment can be obtained. It is a serious mistake in business to count too much on what you can obtain along the way. Emergencies would not have arisen had you been

prepared. Troubles come to those who are not qualified to prevent their occurrence.

Much of the preliminary preparation has been treated in earlier chapters; education should be broad enough to enable one to draw knowledge from many sources, and sufficiently sound to distinguish counterfeit knowledge from the real thing. A large part of the so-called psychology which salesmen purchase gets results, when it works at all, for the same reason that the many curious cults of mental healing effect their cures—because those who adopt them believe that they will cure. If there is nothing much the matter with you except your state of mind, any remedy in which you firmly believe will heal your “affliction.” Distilled water taken in two drops has cured many an “incurable disease” because the patient thought that it was a new and powerful remedy for his particular ailment.

And, in the same way, shoddy psychology often works excellently with those who have little the matter with them, and who would have made excellent salesmen without any book psychology. But the reader will doubtless agree that this puerile state of mind which makes counterfeit goods produce the same result as the genuine article is not suited to a salesman of man’s size, and the present writer assumes that the reader of this book is looking for a man’s job. If he is not, then counterfeit psychology is as good for him as any other, because, whether he takes that or the genuine, the “cure” will not amount to much.

Those who are looking forward to real achievements in their adventure into business will not discard literature, history, and science because these subjects do not tell them how to sell hosiery, neckties, and underwear. Neither will such salesmen throw aside the *Principles of Psychology* because it says nothing about the way in which salesmen may influence the “subconscious mind.”

Then, too, the “will” has come to be regarded as an engine inside of us that must be supplied with fuel much

as the automobile engine requires gasoline. Well, the "will" does need fuel, but not the kind that is usually supplied. Knowledge, principles of action and of ethics, emotions trained by insight into their nature—their proper function and dangers—and many other things which help to produce a healthy body and mind, organize and develop the will. It is not a bit of mental machinery in us that can be supplied with fuel and set into motion at a moment's notice. There comes a time in the life of many a young man when no amount of fuel in the form of precepts, advice, and admonition can change his "will" from a sluggish, inept, and consequently hopelessly inefficient thing into an active, productive force.

Getting a good start means, among other things, starting as far back as possible. To be sure, we cannot, for ourselves at least, go back as far as Doctor Oliver Wendell Holmes suggested—300 years before we were born—but if the value of a good start becomes a fixed idea, one can begin long before entering upon the adventure of a career.

Resourcefulness and initiative are one expression of the activity of the whole mind which is only another description of the "will." Knowledge, habits, and purpose enter into volition; and they are also among the constituents of initiative and resourcefulness. If a salesman is going to work out a successful plan for selling his goods, he should have worked out other plans before. He must have the investigating, planning, and criticising habit. The same statement may be made about learning everything that is to be known about the goods which one is selling. Thinking out the right combination of demonstration and sales talk as well as studying people and helping prospects come to a decision also depend upon habits of earlier study and thought. Nothing that is worth while can be mastered quickly unless one has had previous training and has acquired much data which can be quickly recalled and used.

When the mediocre man sits down to try to work out a plan for a business campaign in salesmanship, little or nothing worth while suggests itself, and after a futile struggle he gives up the attempt and satisfies himself with "hustling." Most men imitate what others have done, which shows the limited amount of resourcefulness and initiative available in the make-up of the ordinary man. Serviceable business qualities are in large part the result of earlier training. A man who has led a life of ease cannot suddenly decide to become an athlete, because it is now too late to train his muscles for efficient use.

The unusual man, on the other hand, has been training himself from early boyhood in play adventures of various kinds, quite unaware that he was fitting himself for his future career. Wellington is often said to have prepared himself for the battle of Waterloo by the training which he received at the Eton school.

But play adventures mean more than school and college sports. Adventures in books, in scientific problems, and in the application of what one has learned in order to test its accuracy, offer excitement hardly less intense than games of rivalry to those who catch the spirit of success. There is, however, a rather prevalent belief that the subjects studied have no connection with business. But are we sure that we know what will be serviceable in the future work toward which we are looking with anticipation? Did Stefansson see any connection between what he was studying in the University of Iowa and the problem of living off the country in the Arctic region? Or did Wellington think of selecting his studies at Eton with reference to the career of a military commander? Was he preparing when in school to defeat Napoleon? Not so far as he knew, yet his biographers say that the foundation of his victorious career was laid in the school of his youth.

Frankly, we do not know what will be useful. The exceptional man draws from a fund of knowledge which he

acquired for quite other purposes, or, perhaps, with no very definite notion of its future use. Is it luck, asks Simeon Strunsky, in a recent number of the *New York Times Book Review*, is it luck which enables the trained man to put his hand at once on the book or statistics that he requires, or to recall the information which he needs? The question answers itself, as Mr. Strunsky intended it should. The right book is at hand for the exceptional man because he put it there, and the desired information comes, first, because he has acquired it, and second, because with his acquiring he has been using. But this use has not been limited to the narrow range of his occupation. He has learned to apply his knowledge in ways which were not foreseen at the time of acquisition, in ways that were suggested as opportunity offered and needs arose; and this use of knowledge to meet conditions which for the less capable would develop into perplexing emergencies, is the basis of resourcefulness.

The inability to apply principles to individual cases is the stumbling-block for many salesmen. These men want their tactics measured out in definite doses—in words referring to the “approach,” and followed by a formula for awakening attention and arousing interest. These young men are like the people in earlier days who thought that the way to take medicine was to swallow the paper on which the prescription was written. But those who must have their tactical medicine supplied in bottles labelled “For Selling Hosiery,” or “For the Development of Initiative,” will never acquire either resourcefulness or initiative. The men who do things are those who have learned to make their own applications. One advertising writer of wide reputation, for example, says that he has obtained many valuable ideas for his work from the novels of Charles Dickens.

When one studies the history of the development of any invention, such as the telephone, cable, or aeroplane,

one is impressed with the relationships and similarities which a few men have seen between apparently wholly dissimilar things and processes. An excellent illustration is given by Michael Pupin,<sup>1</sup> professor of electro-mechanics in Columbia University. "Rowland," he says, "had found distortions in an alternating current when that current was magnetizing iron in an electrical power apparatus. . . . This reminded me of harmonics in musical instruments and in the human voice. . . . Helmholtz detected these harmonics by the employment of acoustical resonators; it was an epoch-making research. I proceeded to search for a similar procedure for the analysis of Rowland's distorted alternating currents, and I found it." Now there is no observable connection between the harmonics in musical instruments and the human voice, on the one hand, and the analysis of distorted alternating electrical currents on the other, yet Professor Pupin found such a relation.

The mediocre man sees only superficial relationships, and even these must be labelled for his benefit, but the unusual man penetrates below the surface and searches for hidden connections. He also studies his failures. He knows that failure has as definite a cause as success; and, consequently, he proceeds to examine the tactics which he used that he may ascertain the reason for their failure to meet the situation successfully. Mistakes do not necessarily condemn a man, but one measure of his intelligence is the use that he makes of them. If he lets them pass as instances of hard luck, he should subject himself to rigid self-examination, for the hard-luck state of mind is frequently an effort to excuse oneself for failures which might have been avoided. It is an illustration of protective thinking—the attempt to find a reason for inefficiency elsewhere than in oneself.

One is loath to blame oneself when things go wrong. The admission would hurt one's self-esteem, since it would imply either lack of intelligence or failure to use the ability that one has. If a man is working, planning, and organ-

<sup>1</sup> *From Immigrant to Inventor*, p. 294. (Charles Scribner's Sons.)

izing to the limit of his capacity, excuses for lack of achievement are unnecessary. But it is worth noting that protective thinking commonly occurs in those who are more or less aware that they have been utilizing only a small part of their available ability. They have been living at a low level of efficiency because a higher level means the expenditure of more energy. But we hasten to add that in man the work performed is not always proportional to the number of hours used nor to the rapidity with which the human machine runs.

Every one knows men who have abundant leisure for recreation, who never seem to be in a hurry, but who, nevertheless, get results. The product is always ready at the appointed time. And the colloquial expression that if you want to have a thing done well you should put it in charge of a busy man, is the recognition of the fact that an efficient man has more leisure than one who is inefficient.

Young business men, however, who are anxious to save their precious energy that they may have more time for the movies, will be interested to know that thinking and planning based on earlier preparation actually saves time; and the reason why so few adopt this method is that they have not learned to use it. To "muddle through," trusting to one's good star to get results, is putting a good deal of responsibility on one's star.

A salesman with five hundred potential prospects should have five hundred methods of approach and of arousing interest. This means, of course, that each prospect is a distinct and separate proposition. But how many methods does a salesman usually have? Most of them have one, and they use it indiscriminately upon all customers alike. It is a pity that methods of approach and of winning attention do not wear out, like clothes, so that it would be necessary to get new ones. Then those of us to whom the same life-insurance agents come periodically, would at least have the relief of novelty.

We do not mean that these five hundred approaches

should be standardized, labelled, and put away in some recess of the mind to be taken out and used when the prospect whom they fit appears. Rather, we mean that the unusual salesman has learned to read the character and personality of those whom he approaches, and to vary his method to suit the requirements of the situation.

A selling situation, as we have seen, is always a special proposition to be met and dealt with on its own merits. A buying situation—an opportunity for investment—business men quite properly regard as unique. Stock in even the same corporation varies in value and in security at different times. A careful business man, again, rarely omits from his investment calculations the standing of the man or house that offers the stock. Why, then, should he not expect his prospects to do the same? Why should he look upon a selling proposition as a static fact, always to be dealt with in the same manner?

Trade, whether in the retail or wholesale house, represents a dynamic situation, and every alteration in the conditions requires a corresponding change in the arguments and suggestions that will promote the sale. But these variations should not be thought of as merely kaleidoscopic changes produced by alterations in the arrangement of the same set of facts. Business, like all other subjects of knowledge, grows, but its growth is not merely increase in size; as in the human body or in science, time has introduced a wholly new set of conditions. Growth has changed the facts, and the new facts call for different treatment. No one would think of treating a youth in the manner suited to a child, and a chemist who would pursue investigations on the basis of the known facts of even ten years ago would be woefully behind the times. But business has altered during its growth no less than chemistry; and since those changes are continuing with increasing rapidity, a young business man has hardly mastered the existing conditions before a complete change amounting almost to a revolution has oc-

curred. Consequently a youth who would succeed to-day must be alert to progress. Static notions of business tactics are out of date, and one who holds them will suddenly awaken, as did Rip Van Winkle, wondering what has happened.

But the story of the need of adaptive variation does not end here. Not only should our ideas keep pace with the growth of business, but, as has been said, we must also be keen in detecting personal variations in those with whom we deal. Even children of the same parents require different treatment. A thoughtful father of two boys must have discovered that similar disciplinary methods do not accomplish the same result. If he is to succeed in selling himself to his boys he must study their personal peculiarities and characteristics. With one he may reason, and the end is attained. But the other does not respond to this treatment, and anxious fathers often consult the writer in their despair to learn what course to follow.

"When I tell one of my sons that he should be careful of his associates and not stay out late at night, he responds cordially," said an anxious father recently, "but the other is contrary. It always seems as though what I request is just the thing he doesn't want to do. Again, when I tell one of the boys the value of his school work he responds by studying, but the same words to the other invariably brings the reply: 'You don't want me to have any fun.'"

It is the same problem of individual differences that confronts the salesman. This father had certain ideas which he wanted to "sell" to his boys. He was convinced of the value of the goods; he knew everything that was to be known about his wares because he had studied them in the interest of his children. Yet to one of his boys he could not make a sale. The same sales talk did not work. Different tactics were needed.

Is it likely that two prospects vary less than two boys with the same family heredity? Do you find that the same

type of sales talk produces equivalent results when you are trying to convert two acquaintances to some idea which, as we say, you want to "put across"? One of these acquaintances yields to facts and arguments, while, with the other, the same line of talk brings no results. Evidently, it is a question of adapting the tactics to the individual.

Were it possible to lay down rules of procedure which would work with the accuracy of the principles of multiplication and division, salesmanship would cease to be a skilled vocation. Any one with enough intelligence to understand and follow the rules would be the equal of his fellows. There would be no master salesmen because tactics would be reduced to a system that any one could use. The joy of finding and solving human problems would cease to be a stimulation since there would be no problems. To discover and tap emotions in a prospect, to succeed where others have failed, gives a relish to salesmanship that makes it worth the intense effort which wins success. Rules would reduce salesmanship to the level of bookkeeping, for much of which machines are now used, and no man's man wants to do the work of a machine. But let us illustrate from a different though allied occupation.

Interviewing for the daily press is a half-brother to selling. To be sure, there are certain rules, but they are so simple and commonplace that they can be mastered and used by those of very moderate intelligence. As in salesmanship, these rules express successful tactics so far as they can be applied alike to all potential prospects. But the master hands at interviewing—those who have secured a hearing from men who refused to talk with correspondents of competing papers—were guided in their tactics by the factors in the changing, developing situation. No one ever heard of a great newspaper correspondent cramming a system of character analysis to learn how he might get a hearing from a tough prospect. Successful correspondents

have seen too much of human nature to think that it can be reduced to formulas which originate in the amount of pigment in one's skin, or in the rubber heels that a prospect wears or does not wear.

Was it rules of tactics that led Philip Gibbs, when interviewing Doctor Cook, to ask questions that produced an irritation unnatural to one who had actually discovered the North Pole? And will any salesman find in manuals on interviewing, if such exist, the rule by which Mr. Gibbs decided that Cook did not reach the Pole? The telegram of this correspondent to his London paper denying an achievement for which the "explorer" was being fêted and crowned with roses in Denmark, created one of the greatest sensations in the history of journalism; and Gibbs reached his decision by tactics which were determined from moment to moment by the remarks and facial expression of the man whose story he had been sent to get.

If Mr. Gibbs had followed the conventional tactics of his trade, he would not have made the discovery which put him so far ahead of all other correspondents assigned to Doctor Cook's territory that he alone is remembered for the size of the order which he received. He understood human nature. He knew that protest and excuses put a man under suspicion, and he developed his tactics to test the doubts which arose in his mind. Gibbs speaks of Cook as assuming a strange defensive attitude.

"'You believed Nansen,' Cook said, 'and Amundsen, and Sverdrup. They had only their story to tell. Why don't you believe me?'"

"By intuition rather than evidence, by some quick instinct of facial expression, by some sensibility to mental and moral dishonesty, I was convinced, absolutely, at the end of an hour, that this man had not been to the North Pole, but was attempting to bluff the world."<sup>1</sup>

<sup>1</sup> See *Adventures in Journalism*, by Philip Gibbs, p. 46. (Harper & Bros.)

The writer offers no apologies for introducing this remarkable story into a chapter on the tactics of salesmanship. An interviewer must make his approach and get a hearing in the same manner as a salesman. And if Mr. Gibbs changed his tactics after the interview was started, if he framed his questions with reference to the suspicion that he felt, he did only what any intelligent salesman does. He began with confidence in the prospect to whom he innocently wanted to sell himself, that he might get the story of his Arctic adventures. But as the situation developed it changed, as we have found all situations do. If the change differed from what might have been expected, that, again, was not unusual. The surprising, startling fact was the boldness of the pose and the value of the stakes in this contest of wit, for the result would be fame or contempt for salesman or prospect. Which would win the fame and which suffer from contempt? The uncertainty equalled that in Stockton's story of *The Lady or the Tiger*? But with this we are not concerned, since our interest is solely in the adaptation of tactics to accomplish a given result, and in the rapid alteration of these tactics as the evolving situation changed. Getting the story soon ceased to be the end in view. The question then was: Is it true? And the other correspondents failed because they relied too much on the conventional principles of interviewing and did not see the significance of the words or manner of the replies. They sold themselves in more ways than one. They booked the order that they wanted, but found to their chagrin that it meant a heavy loss to their "house" and to themselves.

We have learned in an earlier chapter how character is to be read if it is read at all. These hidden signs are felt by the skilful salesman rather than clearly seen, and he changes his tactics to meet the altering situation with which he is confronted. The knowledge comes from the replies of the prospect and from his manner, facial expression, and many

slight indications too obscure to name. Let us now see how these hidden signs affect some of the daily problems of the salesman.

Suggestion has been mentioned in an earlier chapter, but a more complete discussion of its use is needed here. The questions where and how it should be used can hardly be omitted from the tactics of salesmanship.

Should arguments or suggestions be used in selling goods? There are, of course, certain general principles which may be named. First, all normal persons are responsive to suggestion when the conditions are favorable and when the suggestions are of the right kind and properly presented. The reader will see that there are several "ifs" implied in this statement. *If* the conditions are suitable, *if* the suggestions are of the right sort, and *if* they are properly made, they are effective in influencing action. In deciding whether the conditions are favorable, we get back again to our old problem of the changing situation. In some cases conditions are unfavorable throughout the interview, while in other instances there are moments when a suggestion may turn the scale and produce a decision. Then, again, the kind of suggestions to be made and the proper way to make them depend to a large extent upon the man or woman with whom one is dealing. But the personal characteristics of the prospect are also a part of the whole selling situation. Evidently whichever way we turn we find a complex, changing situation that must be understood. And no rule for understanding it can be given. It is a matter of intelligence acting on knowledge. But let us examine a bit more closely the use of argument and suggestion.

Argument is usually needed to induce men to make an investment that seems large to them. The amount will vary with the income of the man. In general, we may say that the power of suggestion decreases with the increase in the outlay when compared with the prospect's total

wealth. The determining fact is not the cost of the commodity, but the relation between its cost and the income of the man to whom you are appealing.

Again, when articles have unusual talking points, argument is effective. This was the case with Domino lump sugar when it was first introduced; and argument quite naturally becomes a part of the exposition of any important improvement in a machine, as, for example, an automobile or typewriter. The reasons for the advantages of the new device are, of course, arguments.

Further, professional buyers require arguments, since they are callous to suggestions. But a professional buyer is not merely the buyer for a store. A man who buys a new automobile every few years is, in all essential respects, a professional buyer. If you are to induce him to change from another kind of car to yours, arguments are needed, for he is immune to suggestion.

Complex propositions which are too involved to be readily classified and reacted to in a stereotyped way, need arguments because their details must be understood and appreciated. New plans for life insurance fall under this rule.

For an educational campaign, again, arguments are needed because the influence of suggestion is short-lived. Its effect is dependent on the impulsive nature of ideas, and impulses are transitory. They come, perhaps with momentary, overwhelming force, and then they pass. But in the case of well-known goods, the educational campaign has been made, and therefore suggestions rather than arguments should be employed.

Finally, facts and arguments are often useful because men like to think that they are following their reason—that they have a logical mind. To imply that one must be convinced with reasons why, is subtle flattery. And then, too, some men desire facts and arguments that they may justify their purchase to their wives, or, not infrequently, to themselves.

There is, however, a serious danger in the use of argument. It makes men think, and deliberation leads to delay if the arguments are not sufficiently convincing to secure the final step that brings decision. The manner, also, of presenting facts and arguments may make the prospect feel that the salesman thinks him ignorant. Evidently it is not merely a question of argument or suggestion but also of the way in which they are offered. A few rules may be given for the use of arguments, but the way in which they should be used is too individual for adequate description. As in other types of human intercourse, much depends upon the personality of the prospect.

The chief objection, perhaps, to arguments is that time is needed to weigh them, and every moment of delay increases the chances that no action will be taken. Argument, again, suggests something to argue about, and this a salesman should not admit unless compelled by circumstances. When, however, arguments are used suggestions should follow. Arguments alone are rarely effective.

In considering briefly the use of suggestion, it may be well to repeat the statement made above, that all normal men and women respond to suggestions if the conditions are favorable, and if the suggestions are of the right sort and are given in a way suited to the individual. "I believe anything at all," said Mr. Dooley, "if ye only tell it to me pleasantly and often enough."

Professional buyers, we have found, are immune to suggestion. Consequently it can be used successfully only with the general public, or with buyers in villages who are impressed with the knowledge and personality of the salesman. The first requirement for the effective use of suggestion is that the prospect feel the salesman's influence. There is nothing occult in this feeling of one man toward another. It is produced in various ways, some of which are definite enough to be named, though others are wrapped up in that vague, indefinable term, personality. Frank-

ness, for example, knowledge of what one is talking about, modesty, and a quiet, self-contained manner create a feeling of confidence in, if not submission to, the speaker; but bluster and exaggeration have the opposite effect.

Suggestion, again, is useful when the time is inadequate for argument. It has been found, for example, that the average reader gives only a few minutes to the reading of the advertisements in magazine or newspaper. There is, therefore, no time for argument. Consequently, to catch the attention of the thousands who only glance through the advertisements, a picture or display type, with few but suggestive words, is needed. The same statements may be made regarding outdoor bill-board advertising. Other things being equal, the number of men and women who will read an advertisement decreases rapidly as the words of copy or advertisement increase in number. An attractive suggestive picture has a powerful effect. It is immeasurably more effective than a thousand facts.

When suggestions are given personally they should be made at the right moment, else the salesman will have spiked his heaviest gun. And this brings up once more the need of understanding and following the changing situation. No excuse is needed for repeatedly emphasizing this variable factor in all sales. It is especially important in the tactics of salesmanship, because the salesman then faces the situation directly, and has no time for prolonged deliberation. He must act at once, and his behavior will be directed either toward a preconceived set of conditions assumed to be unchangeable, or his attitude will be that of an observing, watchful participant in an evolving series of events. In the latter case he will take his cue from the changes in the prospect as ideas come and objections arise which make the case different from any which he has met.

We have said that when suggestions are given they should be made at the right moment so that the salesman may not waste his best card; for suggestions, like cards,

cannot be played a second time. "Shall I make it for ten thousand dollars?" from the life-insurance agent; or, "Shall I send it to you?" from the retail clerk, are almost irresistible at the psychological moment, but if the question is put at the wrong time it lands the salesman in a bunker, from which he may extricate himself, but the game is lost.

The value of successful suggestion, as well as the need for its individual application, is shown by the following amusing story from Mark Twain. Though salesmen will have no occasion to follow Mark's unique example, the incident is worth relating because it brilliantly illuminates this tactful device for attaining one's purpose.

"Jackass Hill was not altogether a solitude; here and there were neighbors. Another pocket-miner, named Carington, had a cabin not far away, and a mile or two distant lived an old couple with a pair of pretty daughters, so plump and trim and innocent that they were called the 'Chapparal Quails.' Young men from far and near paid court to them, and on Sunday afternoons so many horses would be tied to their front fence as to suggest an afternoon service there. Young Billy Gillis knew them, and one Sunday morning took his brother's friend, Sam Clemens, over for a call. They went early, with forethought, and promptly took the girls for a walk. They took a long walk, and went wandering over the hills. . . . But they were lost, presently, and it was late, very late, when at last they reached the ranch. The mother of the 'Quails' was sitting up for them and she had something to say. She let go a perfect storm of general denunciation, then narrowed the attack to Samuel Clemens as the oldest of the party. He remained mildly serene.

"'It wasn't my fault,' he ventured at last, 'it was Billy Gillis' fault.'

"'No such thing. You know better. Mr. Gillis has been here often. It was you.'

“‘But do you realize, ma’am, how tired and hungry we are? Haven’t you got a bite for us to eat?’

“‘No, sir, not a bite—for such as you.’

“The offender’s eyes, wandering about the room, spied something in a corner.

“‘Isn’t that a guitar over there?’ he asked.

“‘Yes, sir, it is; what of it?’

“The culprit walked over and, taking it up, tuned the strings a little and struck the chords. Then he began to sing. He began very softly and sang ‘Fly Away, Pretty Moth,’ then ‘Araby’s Daughter.’ He could sing very well in those days. . . . Perhaps the mother ‘Quail’ had known those songs herself back in the States, for her manner grew kindlier, almost with the first notes. When he had finished she was the first to ask him to go on.

“‘I suppose you are just like all young folks,’ she said. ‘I was young myself once. While you sing I’ll get some supper.’

“She left the door to the kitchen open so that she could hear, and cooked whatever she could find for the belated party.”<sup>1</sup>

Clearly, even the rules that can be given for the use of argument and suggestion are subject to so many variations that they are of little use to the rule-of-thumb man, who looks upon salesmanship as a succession of isolated, stereotyped events which can be classified under a few headings, like problems in arithmetic, and then worked out by a set formula which assumes fixed conditions in all essential details. Salesmanship is not a money-in-the-slot cafeteria, in which the same device makes all the sales. The head, and what goes on in it, makes the difference between a good and a mediocre salesman, and if a man does not adapt his response to the varying conditions of a situation, he is only a well-built automaton from which intelligence is not expected.

<sup>1</sup> *Mark Twain*, by A. B. Paine, vol. I, pp. 268 ff. (Harper & Bros.)

Clear exposition is of great importance in the sales talk. Some men wander all around a point which they are trying to reach, without arriving. Even if they finally say what they mean, the idea which they wish to make is so hidden by verbiage that the important thought is not seen by the prospect. The presumption is that when a salesman starts to talk he has something to say. If he has nothing that he thinks will carry conviction, he had better find something before he begins his talk. Usually, of course, salesmen have ideas which they hope will weigh the scales of the discussion in their favor, but they give them to the prospect as though they had a mental load which they were trying to dump.

This tendency to wander around without saying anything worth while was the chief reason for introducing the sales manual and instructing salesmen in what they should say. But a talk which has been committed to memory is dead. It pays no heed to what the prospect says. Reaction—response—is the characteristic of life, and a dead talk has as little reaction in it as a dead man.

Though we have found occasional exceptions to beginning with the business in hand, salesmen should train themselves to go straight to the point and to let their later remarks be determined by circumstances. Intelligence then meets intelligence, and mutual confidence may be created. Buyers are usually under business pressure. Their present responsibility fills their minds so completely that they cannot get a clear picture of future conditions that will relieve them of some of these worries by increased business. One of a salesman's functions is to sketch in clear outline the possibilities of a larger business. But to do this the salesman should be concrete. He should be able to tell a prospect the class of people who will buy what he has for sale; he should be sure that the customers of the prospect can use what he is offering, that it is not too much of a novelty for the merchant's trade, and that

it does not require what the country buyers do not have. Indeed, the salesman should know all about the trade of his prospects, that he may paint a clear picture of the possibilities of what he has to sell, because men tend to think in visual images.

Details are likely to blur a picture so that the important features are lost. So many reasons may be offered for the purchase, so many arguments presented that nothing takes a firm grip on the mind of the prospect. A more effective method, as we have found, is for the salesman to feel his way, to present an argument or make a suggestion which his knowledge of the prospect leads him to think will get results, and then to observe the effect. In this way the salesman soon learns the vulnerable points of the prospect, and he can then plan to capture them one at a time. It is more than a waste of time to hurl a variety of missiles at a redoubt without knowing anything about the strength of the fortifications. The inefficiency of the bombardment encourages the enemy to resist.

This illustration is more than a metaphor, because in salesmanship arguments which do not appeal to the prospect weaken the tactical position of the salesman. The prospect is likely to feel that if a stronger case cannot be presented the decision had better be postponed. Arguments and suggestions always have a personal reference. What appeals to one may leave another unmoved. Consequently a salesman should regard each prospect as unique. But this, of course, is only another phase of the varying situations which we have already emphasized.

A sales talk usually brings out different opinions. The salesman can hardly expect that the prospect will agree with him in everything he says. It is, therefore, important that a common basis of understanding be found. This agreement, when once discovered, suggests the further line of argument or suggestion. But a common basis of understanding cannot be laid unless the prospect is allowed to

express his views. This is an additional reason for listening to the prospect beyond the joy that all men get from expressing their opinions. Giving the prospect free rein enables the salesman to get "his number," and the subsequent conversation can then be based on the information which has been received without the prospect being quite aware that he has exposed himself to a flanking movement.

Sometimes a prospect needs education. Certain improvements in a piece of machinery may have been made with which the prospect is unacquainted. He may even doubt their value. In such a case it is not always wise to try to push his education too fast. A salesman should remember that he can go no farther than he can take his prospect. Accumulation of evidence is sometimes needed, and, at times, it is best to stop and let the information sink in. The mind does its share toward furthering conviction when once the evidence has been received. But the point at issue must be clear as well as the meaning of the information.

The solution of troublesome questions overnight illustrates the tendency of the mind to clarify perplexing questions. One must, however, understand the question if the mind is to do its bit while engaged with other things; and the information that one gets should be comprehended in its relation to one's problem. Consequently a salesman should explain his new device quite clearly and show its advantages if he finds that a sale cannot be made at once. Delay, of course, has dangers. It may mean loss of the order; but if the prospect declines to close the deal it is frequently unwise to irritate him by being too insistent. This is another instance in which the salesman must interpret the situation and decide whether it is better to remain and urge his goods or whether the wiser course would be to present their advantages clearly and then withdraw. No rule can be given for these perplexing situations. Of course a salesman should not give up until he is quite cer-

tain that he cannot make a sale. But, on the other hand, he may ruin all hope of closing the deal on the morrow by remaining when the prospect wishes to be rid of him. The situation is a delicate one which requires all of the intelligence and tact of one who feels and senses the conditions. At all events the salesman should not make himself a bore.

One often reads in books on salesmanship about influencing the will. It is usually assumed that the will is a force within us which has little or no relation to the other mental processes. The will, however, is the whole mind active. We might go even farther and say that it is the mind and body active, since much additional information has lately been obtained about the effect of the glands and other organs upon the mind. A man with defective organs has a wholly different will from that which he would have were his organs sound.

The salesman, however, is especially interested in those characteristics of the will over which he has some control. If the glands of his prospect are not functioning, the salesman cannot help him; neither can he cure his indigestion. But imagination is something that comes within the salesman's scope of action. It also plays an important rôle in the decisions of the will.

Not long ago the writer, while visiting in a small town, became acquainted with a druggist who had plenty of time to discuss the questions of the day. He was one of those men who takes life as it comes and tries to make the best of it. Both the man and store looked as though they had seen better days, and as the acquaintance ripened the druggist related a little of his history.

"I came here twenty years ago," he said, "and at that time I had only one competitor, an old man who had let his store and trade run down because he had money enough to live on.

"I realize now that I made a mistake in letting his store set my standard. I did not have much money, and I

thought that if I made my store just enough better than his to make the people see the difference I would get the trade, and for a time I did. Things were going well and I was making money when another druggist saw opportunities in the town which I had not discovered. He opened a store that made mine appear worse than I had made that of my first competitor look. If I had had the nerve to take the risk I would have redecorated this store, but I hesitated to incur the outlay. The result is that things have been going badly. Some men take a chance, you know, and perhaps win out, but I can't bring myself to make the plunge."

The following year, while again visiting the town, the writer was astonished to find the store of his former acquaintance the most attractive in the place. "How did it happen?" he asked.

"Well, you see, a new salesman from my wholesale house looked this town and territory over, and told me that he would stay to supervise the work if I would send at once and get a painter. I hesitated, but the salesman convinced me that it would be a good investment, so I said: 'If you will give me the best-looking store within a radius of twenty-five miles, I will take a chance.' And he did. He knew just what should be done, and my business quadrupled within the first two months. But more than that, it has put new life into me. You say that I look younger than when you saw me last year. Well, I feel ten years younger."

The writer is not advocating the reconstruction and decoration of a customer's store by salesmen as a general proposition. Neither is he primarily interested in a merchant's loss of nerve, which is but another name for a weakened will. The story was related to illustrate the close connection between imagination and the will.

It is usually thought that imagination supplies only fantastic pictures which have no value except for a moment's

entertainment. Jules Verne's *Twenty Thousand Leagues Under the Sea* and *A Journey to the Moon and a Trip Around It* are usually cited as illustrations of imaginative play. Yet far from merely sketching fantastic pictures the imagination is one of the factors in thinking and in willing.

No one can will to do something of which he can form no conception. If a retail merchant is to enlarge his business he must picture to himself the way in which it may be done. The druggist of whom we have spoken had settled down into mental indolence because he could not imagine a way out of his difficulties. That he had the other qualities of will which carry on is evident from his response to the suggestions of the salesman. But he lacked the power to visualize a reconstructed business. When the possibilities were put before him he threw himself energetically into the consummation of the plan and won.

Imagination does not grow regardless of conditions, and the salesman who created sales for his house by putting this druggist on his feet saw a larger future than merely taking orders that came to hand. His imagination was constructive. He saw the possibilities, and pictured ways of realizing them. Then he set himself to the task of carrying them through.

One of the ways of creating interest in a thing or plan is to give information about it, but details should not be too long drawn out. Verbal pictures are compelling, but they must be painted in colors that call attention to the important facts. The talks of many salesmen contain all that should be said, but nothing stands out to attract attention.

A salesman should always plan his talk so as to emphasize and illustrate what he regards as the convincing points. But the same facts will not appeal with equal force to all prospects. Consequently the alert salesman will be watchful of the effect of such information as he offers, that he may give special attention to those features

which appeal to the experience of the man to whom he is trying to sell. To do this, however, the salesman must be loaded with a vast amount of information to meet emergencies that arise.

It is often said, and truly, that a salesman should know everything about what he is selling—that no one should be able to ask him a question concerning his goods which he cannot answer. But this matter of knowledge goes much farther. A salesman needs knowledge not only about that which he is selling but also about everything in any way connected with it. If the article, for example, is a filing cabinet of a peculiar sort which obviates certain annoyances and delays which executives have experienced, the salesman should know all of these difficulties because they will appeal to the executive without argument. The filing case, for instance, may be designed for cards containing information of which the manager is in constant need, and the delay of asking a clerk or stenographer to bring the card has been irritating. Of course, knowledge of the trade of the retail merchant—his type of customers—of which we have already spoken, comes in here. A salesman cannot know too much, but the manner in which he uses this knowledge tests his tact. He should know everything, but should not appear to think that he does.

The tactics of salesmanship are thus seen to be an art that calls for one's best thought and endeavor. Hustling and bustling do not meet the needs. A salesman should be active in thought rather than in movement. He should study the poise that impresses, and every sentence which he utters should be determined by his judgment of the situation. Knowledge of men is quite as important as knowledge of his goods. But this knowledge of human nature can only be built on a sound basis of psychology. One might as well try to build a skyscraper on mud as to construct a knowledge of human behavior on what passes for psychology in many of the popular books.

The hardest work comes, however, after a salesman has laid the foundation, because the application of general principles to particular cases is never easy. It is here that mental alertness shows itself. Observation of men in conversation we have found important. Why do they fail to convince those with whom they talk? Do they antagonize men with whom they converse? What are the elements of the art of persuasion? Clearly, salesmanship is much more than offering goods for sale.

Few prospects can be stampeded into surrendering. The tactics of salesmanship, like those of the military commander, require ability to manœuvre one's forces so as to meet the enemy on one's own terms. But this demands mastery of the situation, of which the human element is by no means a negligible factor. Know your goods, know yourself, but know also your fellow men. Then make your work a constant study; not, however, in the crude way in which men think who have taken up salesmanship merely because it offers a livelihood, but with the determination to find interesting problems. If you do not, your work will soon fall into a routine, and you will be doing your daily stint in the monotonous manner that slowly but surely reduces the mind to the inert level of mediocrity.

Be thoughtfully creative. Study the strategy of salesmanship that you may be prepared to suggest constructive policies for extending sales. But, above all, study the tactics and psychology of salesmanship so as to be able to understand and to meet successfully any situation that may arise.

## CHAPTER V

### SELECTING SALESMEN

PURCHASING material or goods and employing men make up the chief expenses in any large business. In most organizations of any size, purchasing has been studied by experts until it has been reduced to a science. But the employment department in most cases remains an unorganized, chaotic wilderness of confusion. The writer has recently been in correspondence with many business houses and manufacturing plants, and the universal cry is for help. Though sometimes those directly in charge of hiring and firing seem satisfied with the results, further inquiry shows that the expense caused by the change in the personnel of workmen and salesmen is enormous and inexcusable. The great majority of employment managers frankly admit that they are helpless. The Ford automobile plant at one time hired 50,000 men during the course of the year, though at that time the pay-roll contained less than one-fourth of that number. Since in his factories Mr. Ford estimates the cost of breaking in a new man at \$70, his expense account for hiring and firing at the time of which we are speaking was \$3,500,000 annually, about one-fourth of which was justified.

The estimates for breaking in a new salesman vary from \$500 to \$1,000. "I am convinced that to reckon the expense of training a new salesman at \$1,000 is very conservative," wrote the head of one manufacturing plant. And then he added: "The worst of it is, that after we have lost that amount of money, the new man may, after all, prove a failure. Then we have to try again."

The manager of a plant doing an annual business of from \$800,000 to \$1,000,000 says that his firm lost \$18,000

in 1923 through the failure of six salesmen to get the results which should have been secured. This is a loss of \$3,000 per salesman, and at the end, after this waste of money and loss of time, the manager had to start again with new salesmen.

Again, the manager of a large credit-reporting firm recently told the writer that he had "tried out" a dozen men for the work of keeping his index cards in order. This is, of course, a highly technical type of work and demands special ability of unusually high grade. And before this manager succeeded in finding the right man, his index cards were in such confusion that the work of the office was greatly disturbed. When a given case was under consideration, the cards containing the desired information and references could not be found. The "trial and error," "hit or miss" method, it should be emphasized, was used by this manager, and he frankly told the writer that he had never dared to estimate the cost to his firm of the many attempts and failures to find the right man for some of the important positions.

"During the last four years," according to a circular recently issued by the Gregg Publishing Company, "there has been a salesmanship turnover of 50 per cent a year and up. Last year forty of the largest employers of salesmen in America reported that 85 per cent of the men they hired failed, at a loss to them of from \$200 to \$2,000 apiece. With a turnover of 50 per cent, and with 400,000 salesmen in the country—considering that the loss on each is only \$200, the minimum figure—the loss would amount to \$40,000,000 this year" (1924). Evidently there is a tremendous waste in the employment department.

In general, the methods of selecting employees is much like that of our grandmothers in deciding what medicine to use. If one didn't work they tried another, until the patient died or recovered in spite of the medicine. In some instances managers have settled upon curious, occult

ways of determining their selection. The list of these devices, which the writer has collected, suggests the methods of quack doctors and fortune-tellers. Those who are satisfied with their methods are, as a rule, among those who use these strange devices, which remind one of *The Cures That Failed*.<sup>1</sup> If one believes in them the failures are not counted. Perhaps the managers say to themselves: "Every day in every way I grow better and better" in selecting men.

If one wished to write a book of funny stories one could hardly find a droller list than a collection of anecdotes showing the methods used by many business men in selecting their salesmen. Some follow Doctor Katherine Blackford, who says: "Always and everywhere, the normal blond has positive, dynamic, driving, aggressive, domineering, impatient, active, quick, hopeful, speculative, changeable, and variety-loving characteristics; while the normal brunette has negative, static, conservative, imitative, submissive, cautious, painstaking, patient, plodding, slow, deliberative, serious, thoughtful, specializing characteristics."<sup>2</sup>

One sales manager with whom the writer is acquainted decides whether to employ an applicant by the way in which he makes the letter "W"; another notes the cheekbones, and settles the question by their shape; a third observes the nose; a fourth favors a triangular face; a fifth determines all mental characteristics by the concave or convex contour of the face; still others fix their attention upon the eyebrows, the mouth, the chin, or forehead. One has confidently assured the writer that the important question is whether the hair is curly. This sales manager even makes distinctions between types of curls. And in this way he can, as he believes, fit an applicant into the position best suited to his ability.

The hands also play their part, as some maintain, in

<sup>1</sup> By Doctor James J. Walsh.

<sup>2</sup> *The Job, the Man, the Boss*, p. 141. (Doubleday, Page & Co.)

showing whether a man has the qualities that salesmanship requires. The length of the fingers, whether they taper, their size, and form. The finger-joints are also important, if we may believe some sales managers. Prominent joints reveal the latent characteristics that make good salesmen. The lines of the palm have, of course, not been overlooked, nor the prominence of the superficial blood-vessels in the back of the hand; nor, again, the eyes, their distance from one another, their axis, and their color. The writer's note-book is filled with instances showing that about 95 per cent of business men are following some form of phrenology in the selection of their salesmen. And phrenology was discredited about forty years ago. This is a long time for business men to be behind the times.

The only one of these methods of "character reading" that is worthy of even a line of comment is the blond and brunette notion of Mrs. Blackford, which has attracted many followers through her correspondence courses. A study of the differences of these two types has recently been made, with special reference to the characteristics assigned to each by Mrs. Blackford. And it was found that brunettes have the traits which she ascribes exclusively to blonds quite as often as the blonds; while blonds, on the other hand, possess brunette traits as frequently as the brunettes themselves.<sup>1</sup>

The writer often receives appeals for advice regarding the selection of salesmen, but these requests are usually for rules which sales managers may use in much the same way as they use a rule in arithmetic or grammar. Rules for character-reading are what these managers want. And the writer is obliged to break the sad news that there are no such rules. To be sure, a trained psychologist can judge character, personality, initiative, and resourcefulness with some little degree of accuracy, but his judgment is not

<sup>1</sup> "Blond and Brunette Traits," by Donald G. Paterson and Katherine E. Ludgate, *The Journal of Personnel Research*, vol. 1, p. 122.

based upon the form of the face or the color of the skin. He draws his conclusions from a score or more of expressions of personality which are not noticed by the untrained observer. "No system or method of character analysis has yet produced results which justify its adoption or even suggest its trial in a public employment office."<sup>1</sup>

But the men who think that they can read character by the shape of the nose, the curve of the eyebrows, the contour of the face, or the amount of pigment in the skin, are so sure of their ability that the writer decided to stage a little test. Only those who were certain of their method were invited to participate, and the purpose was to see how closely these various "character readers" agreed.

Ten young men were brought before these experienced employment managers, and the disagreement could hardly have been more striking. One of the "applicants" who was placed last by one, and next to last by three, was put first by two. Another who ranged all the way from fifth to last by the estimate of five of these amateur character readers, was named first by one. Altogether, the result was about what one would expect to get if one ranged the applicants in a series by tossing a penny. But these employment managers were not convinced. They found curious excuses for their failures as they looked back. One is reminded of Cardan, the famous astrologer of long ago, who read the horoscope of King Edward VI of England when he was about fifteen years of age. Cardan predicted a long life for the child king, with short periods of indisposition at various ages until he had passed his fortieth year, when his health would be well established. The boy was so inconsiderate as to die the year following the astrologer's visit, and thereupon Cardan wrote a pamphlet entitled *What I Thought Afterward About the Matter*.

A similar test of the judgment of business men accus-

<sup>1</sup> *Public Employment Offices*, by Shelby M. Harrison. (Russell Sage Foundation, 1924.)

tomed to select salesmen has been made by others. Scott <sup>1</sup> brought twelve applicants before thirteen executives who had the duty of selecting the salesmen for their several houses. The interviews were private, and each judge used his customary method of estimating ability and character. Notwithstanding the fact that these judges admitted their skill in selecting salesmen, the disagreement between them was remarkable. Several of the applicants were ranked all the way from the first choice to almost the last. With such diversity of opinion, what is the value of the methods used by these executives? Since they disagreed they could not all be right.

The personal interview was also tried by Hollingworth.<sup>2</sup> Fifty-seven applicants appeared, individually, before each of twelve sales managers. As in all of the other tests, each executive used his customary method of selection. And, again, the striking fact is disagreement. "No better evidence is required," says Hollingworth, "than the spectacle of two different expert interviewers, one rejecting an applicant as the most unsuitable of the group of fifty-seven, and another selecting him as the choice specimen of the lot."

It should be emphasized again that these judges were men who had the duty, among other things, of employing salesmen. They were supposed to know men—to be judges of ability and character. When asked to aid in these several investigations they admitted their ability to read character. Yet, as we have seen, they differed widely in their estimate of the probable success of the applicants for positions on a sales force. Only one conclusion can be drawn. The personal-interview method of selection is far from successful, and character-reading, at present at least, is a burlesque.

<sup>1</sup> *Personnel Management*, by Walter Dill Scott and Robert C. Clothier, pp. 25 ff.

<sup>2</sup> *Judging Character*, by H. L. Hollingworth, pp. 64 ff. (D. Appleton & Co.)

Perhaps aspirants for admission to the guild of salesmen may be separated at the beginning into those with sense and those without it. At any rate this division into the sheep and goats is worth trying. Probably common sense is called common because it is so uncommon. Of course, some are born with more sense than others. When they are, it simply means that they have a better quality of brain tissue—more good gray matter. But even then, common sense is developed by the skill and ability with which these young men have interpreted the events through which they have lived.

To a large extent common sense consists of memories, some of which have been forgotten. It may seem strange to the reader that we can speak of forgotten memories, but the writer once heard a well-known judge say: "I make my decisions from a thousand forgotten cases." The value of these forgotten cases, of course, depends upon the way in which they were treated before they were forgotten. If the lawyer studied them as problems, if he clearly saw the principle upon which the court decisions were based, something remained after the details were forgotten. And this something was knowledge of the trend of the decisions of higher courts in matters which the cases involved. If this lawyer went to the bottom of his cases before he became a judge, if he discovered the essential points and saw the agreement or disagreement of the courts regarding these questions, then he reasoned. And the residuum of his reflection remained as a basis for what is popularly called legal common sense.

Further, if this lawyer were to take an intelligence-test, the method and habit of reasoning which he followed in the preparation of his cases would disclose themselves in the tests. Not only this, but, in addition, the information which he acquired in his effort to reason would also reveal itself.

Admitting that some men are more capable than others

because of better heredity, common sense is, nevertheless, in part dependent upon training. Consequently, a question that reveals the sort of training to which a man has been exposed will be valuable. Does he see a problem that is thrust upon him? In trying to get the answer to this question, the query "What was your hardest problem in your last position?" will show how sensitive the applicant is to difficulties which may be either squarely met or evaded. If he did not find any problems, he is worthless. Some men shun all difficulties that can be avoided. "Why worry?" is a conventional phrase which these mental shirkers think is humorous. And since they never worry they also do not advance. They do the daily stint that satisfies the house, and let the more intelligent do the worrying and get the promotion; then they complain because luck is against them. Consequently such men may well be eliminated at the beginning, before they go far enough to make their employers worry.

"What sort of a deal did your last employer give you?" will throw an illuminating light on the way in which the young man estimates whatever difficulties he may have had in his former position. If the applicant has had some little experience as a salesman, the answers to the following questions will be suggestive to an observant questioner:

When you come in from a trip what should you tell your sales manager?

What was the hardest sale that you closed on your last trip?

How did you meet the difficulty?

What habits have you intentionally adopted during the last month to improve your salesmanship?

What was the effect?

What habits have you intentionally broken off during the last month?

What was the effect on your efficiency?

What is the chief occupation of the inhabitants of the territory through which you were recently travelling?

What is the average wealth per capita of this territory?

How does this average compare with that of the several territories through which your associate salesmen travelled?

What are the racial and other characteristics of the inhabitants of your last territory?

And again:

Whom do you represent when you are selling goods, the house or your customers?

These are only suggestions, and frequently the answers will lead to other questions, which can be varied to suit the work for which the young man is applying.

An excellent question that tests the common sense of business men, both young and old, was suggested by a recent occurrence. About a year ago, a city in the Middle West was afflicted with an epidemic of smallpox, and, naturally, the business of the city was greatly disturbed. An advertising agent published a pamphlet in which he advised that a business man be made health officer of the city, or censor of the health department, and that nothing be published of a disquieting nature about the prevalence of the disease in the city and its suburbs. He felt that the business interests of the city demanded silence about the threatened epidemic. After stating these facts, the following question will give information about the sort of thinking which the applicant does. If you think that the advice of the advertising agent was good, underline the word good, and if you believe that his counsel was bad, underline the word bad.

Good

Bad

We hear much to-day about tests of intelligence and they will doubtless continue to play an important rôle in judg-

ing ability. Group tests are valuable with large numbers when one is not disturbed at failure to discover an occasional individual who does not succeed with many of the questions, but who has rather exceptional ability in some one line which more personal attention might reveal. Mental tests should be given by a trained psychologist who will note those of apparently low intelligence, but who, nevertheless, disclose special ability by their answers to one or more of the questions. In this way the chief fault of group tests—their failure in exceptional cases—may be overcome.

Performance tests of the right sort serve admirably in eliminating those who have no mechanical ability. But these tests should be applied individually, that the examiner may observe how each of the young men attacks a performance problem. If he goes at it hit-or-miss he evidently has no mechanical ability. The strictly trial-and-error method is characteristic of the lower animals, and of human beings who do not use their heads. Such persons may finally succeed in the test, but their success does not indicate insight into the meaning of the performance problem. Animals also succeed in the end, but their success with one mechanical device does not help them in solving another problem similar to the first. They do not work from a plan, and when at last they succeed they do not know the reason for their success. For them mechanical cause and effect have no meaning. And this is also true of boys or young men who attack a simple mechanical performance problem in the same hit-or-miss manner.

Evidently, then, mental tests, to be effective in the sales department or in industries, should be given to individuals rather than to groups, and they should be in charge of a skilled psychologist who can interpret the significance of the answers. This is something that standardized replies do not disclose. Interpretation cannot be standardized. An answer may, at times, be wrong and yet reveal intelli-

gence to an examiner who can see below the surface. Interpretation requires an understanding of the curious and sometimes devious ways of the human mind. But, after all, that is what sales managers as well as salesmen are dealing with.

The writer has prepared a series of suggestive questions which may be used as a basis to weed out applicants who are practically hopeless. Of course each line of work, in addition to these questions, requires others that test the applicant's ability for the special work upon which he wishes to enter. These tests have not been standardized, because at present they are only intended to indicate the general type of questions which are important in selecting salesmen. Further, since norms vary with the industry, each company should establish its own.

In the following test the word which completes the sentence should be underlined:

Charles Dickens was famous as a  
 philosopher      scientist      business man      novelist  
                          lawyer

Chicago is in  
 Minnesota      Illinois      Indiana      Michigan  
                  Iowa

Nashville is in  
 Kentucky      Missouri      Arkansas      Tennessee  
                  Alabama

The World War began in  
 1918      1914      1917      1919      1913

Lenine was a  
 scientist      poet      politician      historian  
                  physician

Darwin is famous because of his writing on  
 history      statesmanship      music      evolution  
                  law

Answer the following questions:

For what is Edward Bok especially famous?

## Who delivered the Sermon on the Mount?

## For what is H. G. Wells famous?

## What books have you been reading lately?

State the Golden Rule.

## Who gave it?

Characterize briefly the following magazines:

*The New Republic      The Century Magazine*  
*The World's Work*

Insert the words needed to complete the following sentences:

The house was forbidden of brick because of wood a city ordinance.

Man animal that on legs.

The girl will herself that knife if she care-  
ful.

The automobile, from the meaning of the word, is a  
that runs own power.

Underline the word true, if the following conclusion is true, or underline the word false, if the conclusion is false.

John is heavier than Tom. Henry is heavier than Tom. Therefore Henry is heavier than John.

True

False

Underline the word true, if the following conclusion is true, or underline the word false, if the conclusion is false.

All members of the Civic League are members of the City Club. Jones is a member of the City Club. Therefore Jones is a member of the Civic League.

True

False

Underline two words with the same relation as pen and ink.

water      hydrant      brush      house      paint

Underline two words with the same relation as lawyer and client.

merchant      doctor      clergyman      salesman  
patient

Underline two words with the same relation as horse and carriage.

house      table      locomotive      man      train

Underline two words with the same relation as top and bottom.

Small      good      pleasant      bad      honest

Underline two words with the same relation as lettuce and vegetable.

horse      house      bricks      animal      feet

Write the two numbers that should come next in the series.

1      5      9      13      17

Write the two numbers that should come next in the series.

50      44      38      32      26      20

A boy divides a number by 6 and the correct answer is 18. What is the number?

Answer:

An Arctic expedition has food enough to last 200 men 60 days. How long will it last 150 men?

Answer:

A boy sold three Ingersoll watches at seventy-five cents each. He kept one-fifth of his money, and with the balance he bought knives at forty-five cents each. How many knives did he buy?

Answer:

Read twice the following quotation from Price's *The Modern Factory*.<sup>1</sup> Then answer the questions. It is a test of ability to get meaning from the printed page and to remember the essential facts.

"Many factories are considered model on the strength of some one feature, such as an unusually fine lunch room or wash room; but are far from model in other respects. . . . It may be interesting to relate that after several weeks' disheartening inspection of industrial establishments in western New York, I happened one afternoon to pass a plant in an isolated locality outside of the precincts of Buffalo. As it was late on Saturday afternoon, I hesitated before entering this plant; but the outside of the plant made a favorable impression upon me, and I made the inspection then and there. One may imagine how greatly surprised I was to find in this 'piano keys and piano-action factory' a real example of what is and should constitute a model factory, one in which industrial efficiency was supreme, which was provided with splendid appliances for ventilation, where the wood and sawdust from all machinery was drawn in and utilized for the furnace, where every machine in the place was perfectly guarded and safe, where all conditions as to light, sanitation, comfort, and care were as perfect as could be found, and where it appeared that the economic relations between employers and employees were peaceful and of the best.

"To be considered 'model' a modern factory must set high standards in (1) industrial efficiency, (2) economic relations of employer and employees, (3) general sanitation

<sup>1</sup> John Wiley & Sons. Quoted with permission.

and (4) welfare work. . . . Model factories are not the invention of the twentieth century. They were known from the beginning of the modern factory-system and even before.

“As one of the early model factories may be cited Robert Owen’s factory at New Lenark. As soon as Robert Owen bought his factories from Dale, in 1816, he reduced the hours of labor to twelve, with one and a quarter hours for meals, leaving the actual working time but ten and three-quarter hours, at that time a very short workday.

“Owen started a village store for the workers and had the streets patrolled. He also started schools for the children. These schools were models, and in them many educational ideas, which are even now far from general, were applied. No child under ten years was admitted to the works. Owen also started a library, an institute, and an amusement hall where the children and young people could dance. Medical attendance was provided for all the workers, and a savings-bank started.”

What kind of a factory was found to be a model?

Describe the conditions found.

Name the four standards which a factory should meet to be considered a model.

Name the changes which Robert Owen introduced into his factory.

Give the date when Owen made these changes in his factory.

What did Owen do for his employees and their families outside of the factory?

Thus far we have been considering general intelligence and common sense; but there is another characteristic of great importance in salesmanship, and that is the ability to remember names and faces. To a certain extent this power can be acquired, but some native ability in this direc-

tion is desirable. Consequently the following test will prove valuable. The men on the first page are named, and, on the following page the same persons are shown in a different order and without their names. The problem is to associate the correct names with the photographs on the second page.

Memory, of course, is an important asset in any business. The head of a large chemical manufacturing plant told the writer not long ago that the ability to remember the names and location of the innumerable chemicals in his warehouse was of tremendous value. And in the wholesale and retail trade, to remember names is quite as essential as to recall faces. Every one has felt the pleasure of being unexpectedly addressed by name by a clerk in a retail store. And if, in addition, the clerk recalls some of our likes and dislikes as regards the merchandise which the firm carries, his house is assured of our trade. We always seek out the clerk who shows such discriminating judgment in remembering us. We do not permit ourselves to reflect that he pays the same compliment to others. Therefore, memory tests of various sorts are important in selecting salesmen and retail clerks. The sort of tests given, however, should vary with the position which the applicant is seeking, because memory is specific and not general. A man remembers the things upon which he practises. Mark Twain made some interesting observations about this in his *Life on the Mississippi*.<sup>1</sup> "Give a man a tolerably fair memory to start with and piloting will develop it into a very colossus of capability. But only in the matters it is daily drilled in. A time would come when a man's faculties could not help noticing landmarks and soundings, and his memory could not help holding on to them with the grip of a vice; but if you asked that same man at noon what he had had for breakfast, it would be ten chances to one that he

<sup>1</sup> Harper & Bros.



JOHN ADAMS



FRANK HILL



SEYMOUR LEWIS



STEWART BRONSON



WILLIAM FLETCHER



JOSEPH MCCARDLE



ARTHUR LOVEY



FRANKLIN LYNN



THOMAS MCAVOY



NORMAN P. CASE



could not tell you. Astonishing things can be done with the human memory if you will devote it faithfully to one particular line of business."

The purpose of tests, as used by business men at least, is to find out what a man knows, how well he can remember, whether he has any constructive imagination, how well he can reason, and finally, how he uses his time. This last characteristic is of great importance in selecting employees for higher grades of work, and especially for salesmanship. Some of these qualifications are among those that make up native intelligence, which has been sharpened or dulled by the environment and education of the individual. But, as we have said, tests always presuppose intelligent judgment in the questioner. A man may unduly stress encyclopædic knowledge. This is the fault with Edison's tests. Much of the information contained in his questions should not be remembered because it is available in handbooks and other books of reference. Tests should not examine knowledge so much as ability to use information. Applicants for positions involving engineering knowledge would be best tested by giving them certain problems to solve with the help of all the reference books that engineers use. The purpose is to discover whether the men can solve engineering problems under the conditions that confront engineers in their actual work. An efficient mind is not one that is clogged with details which can be looked up. Efficient minds are selective. They know where to find the data needed to solve a given problem, and they know how to use the facts when they find them.

The value of tests, however, is not limited to determining the ability of applicants for subordinate positions. Tests have the further advantage of continually forcing the executive to face the problem of efficiency in a definite way. The writer is constantly impressed with the fact that managers are uncertain about the sort of ability required in a given position. He frequently receives letters of in-

quiry about efficiency. The most that managers know is that a man has failed or succeeded, but they do not seem able to distinguish between different kinds of ability. If a young man fails to make good in the position which he holds, they are unable to determine whether he has ability that would, perhaps, make him invaluable in another position. Ability for most men means just one thing. They do not know that there are many kinds. They make no distinctions. And this is what tests compel them to do when the tests are given by an expert who can interpret "the returns."

Consequently one of the best results of testing is its effect upon the executive himself. It forces him to interpret conditions, not vaguely and generally, but definitely and specifically. And in this way the standard of excellence of the organization is continually raised and made clearer. This was found to be the effect of testing in the army. Officers daily had to face the question: "Wherein is this man deficient?" "What are the qualifications needed for success in this position?" And in facing these questions the efficiency of the officers was improved.

Those who have tested applicants for various business positions have found little evidence of reasoning, imagination, or initiative. The writer has many letters from sales managers and other executives lamenting the lack in those under them of these essential qualities of success. And these executives want to know how they may develop these desirable characteristics in those already in their employ. Perhaps, therefore, a moment's digression from selecting salesmen to training those already in the firm may be permitted. And a preliminary statement should be made which is equally applicable to managers and young prospective business men. This statement is that you get what you go after.

A familiar economic law says that the supply is determined by the demand, and this is as true in psychology as





in economics. The explanation of its psychological validity is the principle of adaptation. All living organisms adjust themselves to the conditions requiring adaptation unless the demands are too severe to be met. By gradually increasing the quantity of poison, for example, a man may acquire a certain immunity to the toxic action of the poison. Morphine and opium are illustrations. De Quincey finally became adapted to enough opium to kill half a dozen men.

The same adaptive changes are observed in habits and in the manner of meeting business situations generally. Men, if they have the ability, meet the conditions that are put upon them; they adapt themselves to the requirements of the factory or office. If thinking is one of the requirements for holding their positions, employees use their heads to the best of their ability, and if initiative is not only encouraged but demanded, subordinates develop resourcefulness to the limit of their capacity. But reasoning, initiative, and imagination will remain latent in employees unless surrounding conditions force their development. And the same statement may be made about those who are preparing for business. Unless these young men know that when they begin their career they will be expected to use their brains, they will not take the trouble to learn to do so. But the blame should not be put upon them. As we have already said, and it cannot be repeated too often, subordinates are what their superiors make them. The supply finally equals the demand. Men in time measure up to the standards which their chief sets. They are literally reconstructed.

An excellent statement of this principle of human psychology is given by Major Robert M. Johnston in his *Appreciation of General Foch*:<sup>1</sup> "If you place a poor captain at the head of a company of good soldiers, you will get no result. If you place a good captain at the head of a

<sup>1</sup> Houghton Mifflin Co.

company of poor soldiers, you will get some result. If you leave the good captain with his poor soldiers for a very short time, they will become good soldiers, and you will then have a good captain, good soldiers, and the highest results."

Business is so belligerent that it is unscientific. Stone any new idea that impudently shows itself, seems to be its motto. Machine-made managers are expected to produce versatile, intelligent salesmen. Investigation and facts lose in the competition with a copious flow of empty words. The silvery-selling tongue continues in greater demand than the creative brain. Reasoning, initiative, and imagination in subordinates are rarely reckoned among the assets of a firm.

The ability to think is shown by intelligence-tests. Thinking constitutes intelligence—the habit of getting knowledge and the ability to apply it. Intelligence has been defined as adaptation, the capacity to meet novel situations successfully. And as soon as business men realize that human efficiency is as important as mechanical management they will demand head work as well as machine work, and when they make this requirement, the supply will be at their disposal.

Imagination has opportunity to reveal itself in all of the standard tests. It is the ability to think out constructions and plans which are not described in the conditions of the problem. Inventions are illustrations of this ability in the field of construction, while ways and means of accomplishing desired results or of meeting difficulties show the service of the imagination in formulating plans of action. Knowledge—extensive knowledge—is needed in both cases. Inventions in industry are impossible without perfect understanding of the mechanical device which one is trying to improve. But more than this, the knowledge of an inventor must go far beyond the bit of machinery that he is trying to reconstruct. An inventor must understand the

principles of mechanics. Performance problems which test both initial ability and the knowledge necessary for its use may easily be devised if those already prepared do not meet the requirements.

Some tests show whether an applicant has the ability to picture novel constructions; and capacity to imagine new mechanical devices or business plans, as the case may be, as well as to estimate their value and carry them out, reveals his ability to think. Thinking is skill in applying principles to a given problem and in drawing valid conclusions. Naturally it presupposes the definite knowledge of which we have been speaking and the ability to see the bearing of the various factors of the problem upon one another. Tests show, among other things, the capacity of young men and women to discover these relationships—to see the bearing that one fact has upon another.

Mental tests, at best, probably eliminate only the hopelessly dull and, further, there are many qualities involved in achievement of which intelligence-tests take no account. Among these are health, the tendency to save or squander money, personality, and the use of leisure. Of health we hardly need to speak, since it may be assumed that executives know full well that without it no man can be depended upon to achieve success. Consequently habits that undermine health are important matters for consideration in the selection of salesmen.

The writer is acquainted with a number of young business men of good ability who are slipping back because their habits are exhausting their energy. They are never fresh for their day's work. They must have a good time, they say, and they think that they are having it. But they have not learned how to use their leisure. It should not be forgotten that luck is an opportunity for which one is prepared. A young man may not be ready when the chance comes. Then he wonders why another gained the advantage or, if thoughtful, regrets his earlier failure to qualify.

Unfortunately, it is always easier to be wise for the past than for the present and future.

The habits of an applicant may usually be best learned indirectly. Questions may be asked which throw an indirect but strong illumination upon the life of young men, and incidentally reveal their habits. For example: What have you been reading lately? What books do you carry with you to read on the train or during other leisure moments? A story told by Mr. Chester S. Lord shows how Mr. Dana, of the *New York Sun*, who kept a book at hand for moments of leisure, acquired his knowledge.

"When in 1880 he asked me," says Mr. Lord, "to be managing editor of the *Sun*, my answer was: 'Mr. Dana, I do not know enough to be your managing editor.' 'What is the objection to your devoting a little time each day to the study of those things in which you feel yourself deficient?' was Mr. Dana's reply. 'I did not know so much about them, myself, when I came to the city as I do now.'"<sup>1</sup>

Habits, some may say, are personal matters; they are not proper subjects for an employment manager to ask about. "If a salesman sells goods, I do not care what he does," one manager recently said. But habits of life are so intimate a part of one's work that they cannot safely be ignored. They not only show one's manner of life but they also affect one's feelings, and hence contribute their share toward the manner of dealing with prospects. And many times they determine whether a salesman will pad his expense account to add to his vanishing funds.

How much has the applicant saved? is therefore a question very much worth while, since the answer will indicate the habits and mode of life of the applicant. The amount matters little, but a young man who spends his salary, be it large or small, as fast as he receives his pay-check is not so much interested in making his way as in having a good time. Naturally, if he has saved nothing, the question,

<sup>1</sup> *The Young Man and Journalism*, p. 62. (Macmillan Co.)

"For what do you spend your money?" will guard against the possibility of doing him an injustice.

Personality, so far as its practical estimation by employment managers is concerned, is a rather vague word which includes innate dispositions, impulses, tendencies, and the instincts which have been allowed free rein, together with the mental and emotional characteristics that have been acquired by experience. Among these acquired elements of character are ideals, sentiments, desires, and the attitude or points of view regarding honesty, sincerity, loyalty, and other matters with which life and environment bring one into contact. Conversation, when a young man does not know that he is on exhibition, will usually reveal much of his personality. Egotism shows itself to a keen observer even during an interview. Many things can be learned about the personality of an applicant if he be allowed to do most of the talking. One literally gives oneself away when permitted to talk without guidance, restraint, or questions.

A man's estimate of social values is important when one is appraising personality. And among the first things that come to mind is his appreciation of honesty, truthfulness, and sincerity. Then, too, the ability of a young man to carry out his estimate of these values is significant for future success. This, of course, includes perseverance, courage, and what is popularly called will—the determination to act according to one's convictions, to carry through one's purposes, plans, and ideals.

Initiative cannot be estimated until one is seen in action. A fairly good guess may be made by a trained observer, but his guess will not be based on the amount of pigment in the skin nor on any of the facial characteristics which are ordinarily included in the signs of so-called character readers. The psychologist bases his judgment on a score of indications, all of which would seem elusive and indefinite to the untrained mind. It is the invisible things, one

might almost say, that serve as cues to his estimate of character. Questions about the use of leisure will also throw a search-light upon the mind and habits of the applicant. Two facts are important in this connection. The first is the things which the young man enjoys—the sort of recreation that he seeks—and the second is the solution of troublesome questions during periods of leisure. This is a factor of considerable value in the psychology of efficiency, and therefore information about the use of the applicant's free moments should be obtained.

Further, the things that one enjoys reveal one's type of mind. But they go much farther than this, for they often show whether one has any mind at all. The mere fact that one has a spherical ball on the front end of the spinal cord, and that this ball by courtesy is called a head, does not necessarily mean that anything worth while goes on inside of it. That is a matter for investigation, and questions which show the things a young man enjoys will aid in getting this information.

We said, a moment ago, that troublesome questions are often settled during periods of leisure. Whether this will happen or not depends upon the individual. Those who are satisfied with themselves will have no problems to settle. If they do not make a sale the other fellow is to blame. Consequently, since nothing worth while occurs during their leisure moments, such salesmen might as well spend their evenings at moving-picture shows. But, on the other hand, those men who are interested in reflecting upon their problems will find that many vexatious questions are settled during periods of relaxation with books or thoughts.

The kind of reading that a young man does gives a view of his character and mentality, which is too often overlooked. Probably there is no one thing that reveals the purpose and ambition of a young man so clearly and accurately as the quality of his reading. The sort of literature

which he enjoys shows his cultural background and his interests. It also discloses his intellectual curiosity—if he has any. This mental trait—too often conspicuous by its absence—is a pretty good quality in any business. It is the habit of delving into matters that is especially valuable. And questions can be prepared which will show whether a young man has this characteristic. The habit of getting knowledge is worth more than the information that is acquired. And a young man without intellectual curiosity will not go far to-day, when old industrial and economic beliefs are being shattered and new ones are taking their places. During no period of the world's history have such stupendous changes occurred in so short a time as are happening before our eyes to-day. And a young man who has not sufficient curiosity to want to know what it all means, is poor building-material for a growing business.

One need only sit in the smoking-compartment of a Pullman car and listen to the conversation of travelling salesmen to discover their limited knowledge and reading. If any one knew a fraction of what these men are sure that they know, one would be a remarkably wise man. They have positive and unalterable views about political science, economics, social ethics, and all of the leading subjects of discussion of the day. Yet a question or two quickly shows that they have no foundation knowledge by which these exceedingly complex matters may be analyzed and understood. The general impression that a salesman makes in the presence of prospects and customers is of the highest importance in putting the appeal across. Actual knowledge based on wide reading always makes one less positive about one's opinions than are the less informed. And this inquiring, learning attitude makes a salesman more valuable to his firm.

The employment manager will, perhaps, reply that young men of this sort do not apply to him, but as we have al-

ready seen, the answer is that he has not demanded them. The writer has before him the qualifications of salesmen compiled by many business associations and sales managers, and in none of them is reading mentioned. Yet reading, like conversation, shows what is going on inside of one's head. And what goes on there now is a fairly good gauge of what will go on after the young man enters business. Salesmen whose brains are active are better ventures than those whose heads are empty and quiescent.

Business men have been too ready to accept superficial preparation in those who are to engage in industry. The call for "business English" is an illustration, for, after all, business English is only good English applied to business. Would any one think of taking a course in business arithmetic without first laying a mathematical foundation upon which a structure suited to business needs might be built? Evening courses in salesmanship and advertising, again, are taken by boys and men who have had no psychology, and many of whom have not even finished the high school. Yet human behavior scientifically studied underlies salesmanship and advertising. And without this preliminary work in psychology, such courses, at best, consist only of maxims and word-formulas without intelligible meaning.

The writer is aware that there is a rather wide-spread belief among business men that education beyond the grades or high school does not pay. But that was what the farmers thought a few years ago about education as a preparation for farming. Business men are where farmers were when scientific farming was first advocated. "Put the boy on to the farm and let him learn the work," was the cry of the farmer in those days. But now he knows better. He has discovered that his father wore himself out trying to make ground produce crops which would not grow because the soil lacked certain chemical elements. He has found, indeed, that successful farming depends on knowledge of chemistry and many other subjects about

which his father knew nothing and which cannot be learned on the farm. Newspaper writing is another illustration of the changed attitude regarding the value of preliminary education for one's work. The reader will recall the ridicule hurled at schools of journalism when they were first started. "We want lessons in writing news stories," cried the would-be reporter. Just as the prospective salesman now calls for "business English," so the young aspirant for the mantle of Greeley, Godkin, Dana, Bowles, and Watterson demanded "newspaper English." But to-day editors know that there is only one sort of English to study, and that is good English. Newspaper English, and story-writing cannot be learned until one can use clear, correct, forceful English. And it is the same in business.

Business men have been slow to realize the value of education in their work for the same reason that caused farmers and journalists to scorn its utility. The men who have arrived to-day started their business journey and reached their goal of success at a time when competition was less keen. The educational background did not mean so much fifty years ago as it does to-day. Business no longer consists in merely starting a factory or opening an office or a wholesale or retail store. Trade has come to be more a matter of studying and interpreting the data that relate to industry and commerce.

The contents of one's head, training in getting and organizing facts, and ability to interpret these facts after they have been obtained, are of immense importance for those who are entering business to-day. Commerce and industry have become so huge and complex that one can no longer learn them by observation and experience. Character, personality, industry, and initiative are of no less importance than formerly; but to-day, in addition to these qualifications, business demands an understanding of principles and the ability to grasp and comprehend the meaning of the enormous and intricate network of relations which have

evolved in the stupendous changes taking place during the last quarter of a century.

The writer knows quite well that the reader is likely to regard this view of the education needed by those entering business as special pleading by a university professor. Let us, therefore, get the opinion of a successful business man who is free from the prejudices of the professional class. "The mental equipment of a business man needs to be greater to-day than was ever before necessary," says Frank A. Vanderlip in his *Business and Education*. "The enlarged scope of business is demanding better-trained men—men who understand principles. New forces have made possible large-scale production, and we need men who can comprehend the relation of that production to the world markets. There has been introduced such complexity into modern business and such a degree of specialization that the young man who begins without the foundation of an exceptional training is in danger of remaining a mere clerk or bookkeeper."<sup>1</sup>

In addition to special reading that will give a subordinate knowledge which his superior ought to have, and which the subordinate will need when he is promoted, Mr. Vanderlip suggests well-written biographies of men who have helped to make history. And he adds Dickens, Thackeray, Howells, George Eliot, and Jane Austen. "To read carefully," he says, "a novel written by a master-hand means a distinct broadening of one's knowledge of human motives."

The reader will notice that some of the literature which Mr. Vanderlip suggests does not deal with leather, groceries, or dry-goods, but a man who is trained only in his special line is unfitted for a business career. He should not even be selling goods, because he does not understand the human motives that lead to action; and motives of action stand first among the things with which a salesman deals.

<sup>1</sup> *Business and Education*, pp. 15-16, 82. (Duffield & Co.)

Mr. Vanderlip is emphasizing education from the viewpoint of the novitiate, but how about the business man who is trying to decide between applicants? His problem reduces itself to the question of the sort of young man whom he wants. If he wants a rule-of-thumb man, one who will follow directions without doing any thinking, he had better pass over education in his requirements. The sales manager can then print his little book of instructions and the novitiate will commit the contents to memory and recite the "approach" without an error. If his prospect has as little education as the young salesman, he may even close the deal without varying by a word or a comma from the text of the lesson. But are sales managers looking for parrots or for men when they engage salesmen?

The writer recently learned of a salesman who was following submissively the printed instructions which are frequently handed out to beginners. A young man who had just graduated from college, needing money with which to begin his graduate work, decided to spend the summer selling a household specialty to the matrons of several towns. The home office sent an experienced salesman, well trained in the formulas so characteristic of the "lessons" of many houses, and this man instructed the novitiate in the "approach" as well as in the manner of closing the deal. But the novice had learned something about human nature during his college course, and, being convinced that the "lessons" were painfully artificial, he decided to adapt his method of approach to the needs of situations as they arose. During the two weeks that the "instructor" was with him he sold nearly twice as large orders as did the more experienced but less versatile salesman. In one case, as he told the writer, a crabbed old woman threatened to set her dog on him if he entered the yard, but very soon he was sitting on the porch talking with her, and before he left he had taken her order for thirty-five dollars worth of his merchandise. This young

man had the problem attitude and, as he told the writer, he was more interested in winning and finally conquering the old lady than he was in the amount of the sale. It was the kind of problem which he liked to solve.

To be attracted by problems, to want to work them out to their final end, and to understand them, is of the highest value in any line of work. And business is no exception to the rule. One for whom problems do not have this fascination accepts the most superficial explanation of difficulties. Such a person does not look deep enough to discover the causes of the trouble. If he does not sell his quota of goods, the territory is to blame.

Interest in problems and ability to work them out depend, in large part, upon one's earlier training and education. To be sure, we must assume intelligence, but brain tissue alone may not meet the situation. Many good brains have gone to seed from lack of exercise. And here is where education and reading, to which we have already referred, make their contribution. In high schools and colleges boys are brought face to face with problems of various sorts which they must solve. Some of these problems are social and deal with human behavior, while others are concerned with investigations and research of the simpler sort, suited to the immaturity of the pupils. But always, if the boys are well taught, they are learning to meet and deal with troublesome questions and problematic situations. They are practising the art of seeing and solving problems.

A good story was once told by Forrest Crissey in *The Saturday Evening Post*.<sup>1</sup> The incident occurred just after the World War, and relates to a young man recently returned from service in France. He was a graduate of an engineering school, and consequently hoped to get back into the work for which his college career had fitted him. But this was the period of business depression and posi-

<sup>1</sup> December 3, 1921. Reprinted by permission of *The Saturday Evening Post*. Copyright, 1924, by the Curtis Publishing Company.

tions in his field were scarce. The only work that came his way was the selection of apple wood for saw handles. Unfortunately, however, he knew nothing about apple wood. But he was a college man and he knew how to get information and organize it. He had just forty-eight hours in which to qualify. "You'll have to work fast," said the employment agent. "Now, what are you going to do?"

"I'm going to talk with men who sell saws and with those who use them and find out their ideas of what defects in wood cause the handles to break. Then I'm going to try to locate a man who makes saw handles and learn all I can from him. If possible, I'm also going to get hold of a man who buys apple wood—who goes out into the orchards—and pump an earful of information from him. That'll keep me busy in the daylight hours. At night I'll see what I can dig up in the technical library about saw-handle lumber, its main sources, its prices, and the processes through which it must pass before it joins the saw blade." The writer has quoted this story at length because it shows that this college graduate knew how to attack a problem. He knew how to get the information that was necessary for the solution of the questions which he would be called upon to settle. And as a result he made good. Indeed, he made good so completely that within a few months his employers felt that he was too valuable a man to be wasted in apple orchards, and consequently they advanced him to a position in the mechanical-engineering department of the firm. And the reason for his promotion, as well as for securing his first position which led to advancement, was that he recognized a problem when he ran athwart one.

The notion is somewhat wide-spread that ability—assuming one to have it—can be used whenever occasion arises; but nothing is farther from the truth. A man may have all kinds of ability and yet not know how to begin to investigate a problem. Indeed, unless he knows something

about the art and science of research, at least in its simplest form, he may not even know that investigation is necessary. He may just assume that he has all of the knowledge needed to deal with the question which confronts him. But the young man whose story Mr. Crissey told knew better. He had learned in college that when a problem must be solved the first thing to do is to get all of the facts. And he also knew what facts to go after. He had acquired the principles of thinking.

The rapid and tremendous change which business is undergoing forces executives to face the question of the kind of young men whom they should employ. Do they want those who have the capacity to grow mentally and to develop, or do they merely want the imitative sort, who are incapable of thinking and who deal with all prospects in the same way because they do not know enough about human nature to interpret behavior and to see that no two men are alike?

The cultural background of applicants we have found to be one of the questions in which managers should be interested. Salesmen should be able to meet educated, well-read men upon equal footing. In certain lines of salesmanship, of which the real-estate business is an illustration, it might be well to have two classes of salesmen, those who can talk intelligently with prospects about matters in which they are interested and others who can, perhaps, deal more effectively with the less educated. The manager of one of the widely extended systems of chain stores has laid down the principle that salesmen should be placed with reference to their fitness to serve a certain class of trade. A given salesman, this manager says, is fitted for a store in one location, and another salesman for another store with a different type of customers. This is reducing salesmanship to an art based on intelligible principles; and these principles should be extended to other lines of salesmanship.

When possible, therefore, salesmen should be selected with reference to the particular sort of prospects whom they are to approach. With travelling salesmen this is, of course, impossible. The same man must sell to all classes of the trade. And since an educated, well-read man can adapt himself more readily because of the knowledge of human nature which he has acquired in the course of his reading, employment managers should pay more attention than is their custom to the education of those who apply for positions.

Clear, effective language will reveal itself in the interview. And the ability to go straight to the point and make oneself clear without beginning over again is tremendously important for a man who must convince by words, as is the case with salesmen. The ability to speak clearly and convincingly, to make one's point forcefully in a quiet, modest manner, to depend upon the irresistible power of lucid thoughts gently but persistently forcing themselves into the mind of the listener is, after all, the essence of salesmanship.

The use of clear language with intelligence behind it is of immense importance in the selection of salesmen. Man always tries to compensate for his deficiencies, and when thoughts are lacking one seeks to conceal the mental vacuity by a torrent of words. Indeed, sales managers would do well to remember that thoughts, and the ability to think, are usually inversely proportional to the verbal flow. An anonymous writer in *The American Magazine*<sup>1</sup> says that he has had such unfortunate experiences with brilliant men that he never takes them into his employ. But on reading the article carefully one finds that the men whom this anonymous writer calls brilliant were merely dashing men of the surface-skimming type. The writer has had various opportunities to observe this class of salesmen. He has seen them sell themselves to sales managers,

<sup>1</sup> February, 1924.

but later these business men were convinced that they themselves had been "sold."

The tendency to compensate for one's weaknesses is a human characteristic. Deficiencies do not always come clearly into consciousness, but one is more or less vaguely aware of them, and tries not so much to overcome them as to compensate in other ways. Bluster, or at any rate a copious verbal flow, is one of the noticeable protective devices. Men of parts do not feel the need of concealing deficiencies. They are not unaware of their defects. Indeed, they are usually willing to admit them because they are conscious of their power.

Superficially brilliant, dashing young men are likely to overpower the judgment of employment managers at the first interview because of their glib tongue, but they do not last. Words come so easily to them that they have never been impressed with the need for work. But empty words pall in time, as is indicated by the various slang expressions applied to those who use them too profusely. Sales managers would do well to remember the contempt in which "hot-air artists" are held after one has been afflicted with the superheated steam long enough to see how little substance it contains.

The selection of salesmen can never be reduced to strict accuracy. It is doubtful whether tests of intelligence or of the more specific qualities essential to various positions can ever be devised which will fully meet requirements. But much can be done to reduce the misfits. Indeed, a great deal has already been accomplished. A large number of houses are using intelligence-tests to eliminate those who, because of heredity and lack of education, are altogether hopeless. Some firms are adding tests which their experts have prepared with special reference to the needs of their work. And these houses have greatly lowered the cost of their employment departments because they have attacked the problem in a scientific way.

The chief trouble is that no scientific analysis has ever been made of the qualities that enter into salesmanship. The conclusions reached by four hundred and sixty St. Louis sales directors comprise good character, personality, health, mentality, concentration, industry, self-confidence, punctuality, tact, initiative, resourcefulness, and knowledge of the goods. But these qualities are needed for success in any line of work. They are not peculiar to salesmanship. A national committee enlarged the number of desirable characteristics to thirty-one, adding patience, courage, imagination, and a few others which, like the qualifications named by the St. Louis sales directors, are needed for success in any work which a young man enters. None of these qualifications, however, are distinctive of salesmanship.

It seems clear, then, that sales managers have not yet discovered the qualities which are peculiar to salesmanship. And this cannot be done by sitting at one's desk and writing out a list of requirements. Testing has pointed out the way, and this is also the scientific method. To refuse to follow the course indicated by the success of tests in other fields of work, is repeating the errors of the past when uncriticised experience was the only guide of action. Let us admit that the tests are not perfect and that there are some mental qualities which at present we are unable to estimate with accuracy. After making this admission, however, the fact remains that tests eliminate a great deal of the waste of the employment department. They therefore show the course which should be followed. And they have the further advantage of being the scientific method of approaching a problem. What is needed is comparison of results, with the improvement that this comparison and discussion will bring. In no other way will the selection of salesmen ever become more than a guess based on the inadequate foundation of an antiquated system of character-reading.

## CHAPTER VI

### THE PSYCHOLOGY OF PERSONNEL MANAGEMENT

“YOUR boy is good for nothing in my business. He is the most miserable failure I have ever seen, and he will never amount to anything,” said a lumber-dealer to the father of Emil Fischer. This was a pretty hard blow for a father who had thought his son of ordinarily good ability, and who desired a business career for him. There was no personnel management in those days and there were no tests of intelligence. Consequently, if a boy did not fit the niche into which he was first put he was taken out, and, figuratively speaking, thrown away.

Of course Emil was greatly discouraged. He had expected to become a business man, and now, right at the outset, he was discharged and told that he would never amount to anything. Fortunately he was given another chance, and, since the boy had always been interested in books, his father unconsciously practised a little personnel work on his own account. He decided to send his son to the university. If the boy was not fit for anything else, that seemed to be a good place for him. And now some remarkable things happened. From the beginning of his university career Emil showed striking ability in the sciences, and especially in chemistry. He immediately attracted the attention of his instructors and was given opportunity to begin some experiments. To cut a long story short, when only twenty-three years old Emil had discovered a coal-tar compound, now known as phenyl hydrazine, and as a result was one of the most famous chemists in the world.

The writer is quite aware that a lumber merchant is not

expected to know anything about chemistry, but does this mean that no one in the organization should know about the ability of subordinates? Is there to be no channel through which knowledge about those low in the scale of employment may flow to the manager or chief executive? Would it not be good business policy to re-establish the contact between executive and employees which existed before business became so enormous that the voices of subordinates cannot be heard until the discontent seriously impairs the efficiency of the organization? From the purely selfish view-point will not the knowledge of employees that their aspirations are considered in the office, pay?

To be sure, Emil Fischer was unfitted for work in a lumber-yard, but one cannot help wondering whether the judgment of his employer would have been different if he had been put into the business department of a manufacturing chemist. The business side of the chemical industry would have been quite as far from the boy's ability as was the business of selling lumber. The sales manager of the manufacturing chemical plant probably would have discharged him without discovering his remarkable ability for producing some of the chemical compounds that have played such a tremendously important rôle in the modern chemical industry. Young Fischer's experiments started a new epoch in manufacturing and industrial chemistry. And yet the discovery of his ability may be said to have been a matter of chance. At any rate it was not due to the intelligence of the business men under whom he worked.

But it is not the business of executives to discover scientific ability in their employees! the reader will exclaim. The objection would be well taken if managers could show that their office is organized to find ability of any sort. Few companies have advanced beyond the employment-manager stage. And not many employment managers look beyond the narrow boundaries of hiring and discharging. In a large majority of cases an enormous waste of man-

power continues to betray the inefficiency of the management.

Personnel management is the only remedy for this financial leakage. The loss involved in the hit-or-miss plan is admitted. Managers, also, generally agree that when they find a man satisfactory in a subordinate position they are loath to advance him to a better place, even though they are confident that he is especially fitted for it, because they dread trying to fill the position which his promotion would leave vacant. Executives admit the inefficiency and unfairness of keeping men in their positions merely because it would be difficult to replace them, but their excuse is that they think it best to leave well enough alone. In other words, it is less trouble to fill one position than two. However, this easy method of business management does not build an aggressive organization.

Bringing men in from outside to fill vacancies is discouraging to those within the organization. Sometimes it must be done, but if it is the usual procedure, the fault lies with the management rather than with subordinates. One of the things which should always be in mind is the training and development of those within the organization. And by development the writer means much more than can be accomplished in the various training-schools which have been established by many large firms. Somewhere there should be a checking up on the use that these young men make of what they learn—that is, of their ability to apply knowledge and to adapt themselves to the varying demands of a growing business. Knowledge does not guarantee thinking. It is only the raw material for thought, and many a young man fails to make the connection between acquisition of information and its use.<sup>1</sup>

Now, the best way to get men to use the knowledge which

<sup>1</sup> In this connection the reader should refer to Chapter II, "Thinking and Acting," in *Psychology and the Day's Work*, by the present author. (Charles Scribner's Sons.)

they acquire, as well as to think around the edges of their assigned work, is by contact with a personnel manager. The work of this manager is not merely to give tests and keep records, but also to suggest and to counsel. He knows the possible lines of promotion for the various men, and consequently can offer suggestions looking toward qualification. Then when it is necessary to go outside of the organization to fill a higher position, he can give the reason to the one who might expect promotion. In this way the personnel manager helps promising young men to discover and strengthen their weak points, and shows them that they have not been overlooked. Failure to secure a coveted advancement is not so discouraging as the belief that one has been forgotten. Frequent conversations with beginners often cause them to correct their failures and make them good material for promotion. In this way the necessity of going beyond the organization to find men for higher positions is eliminated, and the morale of the force is maintained. Morale is always lowered when an outsider is brought in to fill a higher position, especially if some one in the organization possesses the necessary ability and adaptiveness. Constant effort, therefore, should be made to help men to qualify for possible advancement.

Many of those who do not follow the plan of filling vacant positions with new men brought in from the outside, err in another way that is just as destructive to efficient organization. These managers promote by cold seniority without considering merit. They advance men who are in line for promotion. This causes less trouble than any other plan because it prevents jealousy. Each man knows just what to expect. When a vacancy occurs the next in line receives the appointment. This method, like the first, satisfies the natural desire of the executive to avoid unnecessary effort. Man rarely exerts himself mentally unless the exigencies of the situation compel him to do so.

The objection, however, to filling vacancies by seniority

alone is that the method is an unintelligent one. The man in line for promotion may not be fitted for the vacant position. That different kinds of work require special sorts of ability is so much of a truism that one hesitates to mention it. Yet the fact that the seniority method of filling vacancies is rather common compels repeated emphasis of the importance of finding the right man for work that is worth doing well.

As an illustration of the ability required by different sorts of occupations, we may mention office work, management, and salesmanship. Each of these, in turn, makes its own peculiar demands according to the requirements of the situation. Office work calls for an attention to details which would irritate one with managerial talents. Office men must have a fondness for recording, indexing, and filing. If one does not have a devotion to records and is not orderly, the office is no place for him. He must have intense interest in keeping all of the information needed by the firm indexed so perfectly that he can instantly put his hand upon any document, letter, or bit of information the moment it is desired.

Executives, on the other hand, deal with men in person or by letter. Theirs is a wholly different type of mind. If suited to their work, they are interested in human nature, and they study customers, prospects, and subordinates in order to adapt themselves to the many peculiarities of different individuals. For them, letters received are not merely inquiries or complaints; they are expressions of the thoughts and feelings which prompted the words. And to these thoughts and feelings, rather than to the written sentences, these managers reply.

Both office workers and managers need imagination, but their imagery will be different. The successful office man pictures a better arrangement of the objects with which he works, while the manager should have visions beyond his desk and files. At any rate, he has these visions if he is

adapted to his position. Plans for improving and extending the business are his creations of fancy, and, having pictured the new projects in operation, he criticises the scheme in order that he may discover faults before putting it to the test of trial. His mind looks toward the future in the plans of his creative imagination.

The salesman, again, is not primarily interested in constructions of the productive imagination. His business is personal contact with men. To read understandingly those whom he meets should be his hobby, and he should be as devoted to it as the golf expert is to his game. *Men, and how to meet them* must be his study. And a more interesting subject cannot be found for one adapted to the work. But he would not be interested in arranging and handling the inanimate things with which an office man is concerned, nor would he find pleasure in the work of the creative imagination by which a local business grows little by little until it covers the country. Now, the meaning of all this is that there are different types of mind which furnish a psychological basis for personnel management.

Young men frequently come to the writer's office to ask for what they are fitted. Of course a few moments' conversation will not go far toward determining the qualifications of a youth, but the possibilities of a personnel manager are almost limitless. Naturally, the young men should be advised before they have gone too far to turn back and start again. And the advantage will not be altogether with the employee, since business houses will save a large part of the waste that always attends a man who is outside the sphere of his abilities. Inefficiency is not synonymous with an inefficient man. It may mean an efficient man in a position in which he has no chance to use his talents.

Sometimes failure to do one's best is a psychological matter. A young man is put into a position, and he throws himself into his work with all of the energy and enthusiasm that usually animates one who is beginning his life career.

But soon he finds that no one pays any attention to him. His excellent work receives no comment. Only when he overlooks something does one of his superiors come to him, and then his past good work may count for nothing.

Putting a young man into a position and then forgetting him is worth a moment's discussion. One of the reasons for this thoughtlessness is that when things run smoothly they attract no attention. This statement is true in every line of work. It is an unfortunate fact that in human affairs the uneventful is not noticed. It awakens no interest. This may be quite commonly observed in municipal administration. Everything runs so smoothly under an efficient mayor that the voters are hardly conscious of his existence. Consequently when the next election comes he is voted out of office by those who are well aware that they can reckon on the apathy of the majority of the citizens who were peacefully unconscious of the danger. Men are prone to look for something that is sensational, and they are indifferent to the quality of their government unless intolerable scandals are published. Under an efficient administration nothing striking happens, and therefore the attention relaxes. People are unconcerned about keeping good men in office, but they are greatly interested in turning rascals out. And, having "discharged" their inefficient servants, they return to their placid indifference until new scandals are disclosed.

Now, it is to be regretted that much the same spirit prevails in business unless there is some one whose job it is to reward efficiency. Good work, as we have said, is frequently unnoticed, but bad work immediately attracts attention. The writer is quite willing to admit all of the moral platitudes, such as "Virtue is its own reward," but unhappily human nature is not made on that plan. Virtue is not so virtuous that it does not like a little appreciation. One grows tired of well-doing when there is no evidence that it accomplishes results. Probably this is one

phase of the human tendency to drop to a lower level of achievement when there is no incentive to keep oneself at a high level. Efficiency requires expenditure of energy, and there must be some motive for the exertion if the energy is to be kept at a high tension. But the tendency, we have seen, is to let "well enough" alone. Let us, therefore, see how this works out in business.

Men of good ability are likely to do fairly well in any position for which they are not wholly unfitted. But it does not follow that the men who do this work satisfactorily are in the positions for which they are best suited. They do well because they have fair ability and are anxious to succeed in whatever they undertake. In addition to general intelligence, however, many men have some special ability which may be sufficient to make them conspicuous if they can be put into a position in which this ability will have a chance to display itself.

Every business man naturally wants to have the best possible organization, but this result cannot be obtained if no effort is made to discover the varying abilities of the men who are already in the organization. And since the manager has other duties there should be some one whose business it is to ascertain the hopes and aspirations of subordinates. Ability and aspirations do not always coincide, but they are likely to do so, and there are ways of checking up on the capacity of men in one's employ. What a man does in his leisure moments, whether he shows interest in the work of others in the organization, the things about which he talks, and the knowledge that he discloses, all of these are pointers which a personnel manager will observe. Then, the question whether a young man doing routine work shows administrative ability should not be overlooked. To all of these matters and to many more a personnel manager will give attention. The important thing is that a man once placed should not be forgotten. No efficient organization was ever built in that way.

A manager should view his organization as a baseball manager watches his team. The latter is trying to make a baseball organization. His men may be as good as the best, but if they are not rightly placed he has only an aggregation of players. He has no team. And it is the same with a business concern. An aggregation of clerks and salesmen does not make an organization. Team-work is needed, and team-work means that each man is in the position for which he is best fitted. What would you think of a baseball manager who, needing a short-stop, employed the first high-grade baseball player who came to his notice? Let us suppose that the applicant has an excellent batting average, and has distinguished himself on first base. Let us also assume that the manager does not need a first baseman. He wants a short-stop. What would be your opinion of his managing ability if he engaged this man with a remarkable batting average and excellent first-base record, but who had never played short-stop, and did not wish to do so? Yet this is exactly what business men do. They engage a salesman who is far better equipped for a subordinate administrative position, and who perhaps has the ability to advance rapidly to the charge of a branch office.

Administrative ability includes not merely the capacity to plan for keeping the office records straight, and to direct the work of subordinates, but, in addition, it presupposes the capacity to build an organization that will do team-work. During the last financial depression, a business man with a large sales and office force told the writer that he was losing money every day but that he did not dare break down his organization by discharging the men. "It has taken me a number of years to build this organization," he said; "the men do not work as individuals; they work together. In other words, my office and sales forces are two teams that play their own individual game while co-operating for the general success of the house." And then

he added: "I do not think that there is another such sales force in the country. Of course there are as good individual salesmen, but our men multiply their efficiency many times by their team-work."

When asked how he had built such a fine organization, he said that it had been his custom to keep a card catalogue of all of the men in his employ. The characteristics and abilities of each man were noted on their several cards from time to time. "And it was not long," remarked this manager, "before I discovered that a good many of my men were out of place. Several in the office had made valuable suggestions for the sales force, and conversation with them made it quite clear that I was wasting good sales material in the office. Readjustments were gradually made, until finally I had the present organization."

Evidently here was a manager who discovered the need and value of personnel management while the idea was still so young and immature that it required careful nursing to keep the delicate thing alive. While most business men were ridiculing the notion that personnel management was worth taking seriously, this manager had done a little thinking around the edges of his business.

In addition to finding out for himself the advantage of personnel management, this manager had made another discovery which few business houses have learned even to-day. And that is the value of group work in production and in salesmanship. To be sure, the production of the group depends upon what each individual produces. But psychologists long ago discovered that a man produces more and does better work when he is conscious that he is co-operating with others in a general plan which he understands. This is not a mechanical collection of men in which each is an unintelligent cog in a wheel that turns continually, running off the product without thought of what it is doing. A mechanical aggregation of men does only machine work. There is no life in it. The human factors

which mean so much in industry and in commerce are lacking.

The group spirit—team-work—is really an important feature of personnel management because it implies that each man is in his right place. Without this there can be no team-work in a business organization any more than on the athletic field. In baseball and football the records of the men are carefully watched, and they are transferred from one position to another to try them out. In this way, before the crucial moment comes, when match games are played, the position has been found in which each man will do his best.

Employers rarely appreciate the value of the group spirit in their organization. In school and college it has long been known that little can be accomplished if the spirit of the team does not prevail. And it is also known that this spirit can rarely be created by advice. The stage must be set, and one of the factors in the setting is to find the right boys and girls for the position which each is to fill. Otherwise discontent prevents co-operation. Human nature is so constituted that children and men alike work better when the spirit of co-operation prevails. This means, of course, that each one is contributing something toward a common goal.

Sometimes men do not know the line in which their talents lie. They need help—chances to try themselves. And here, again, the personnel manager plays his rôle. Naturally, he is much closer to the men than the other managers, because that is his business. He keeps the records of everything that bears on the abilities of all in subordinate positions. He tests the intelligence of the men in various ways, compares the results of the several tests and thus discovers lines of ability which would be obscured in tests of groups. He learns to know each man intimately, and follows up the various suggestions of ability given by test and personal contact.

Another function of the personnel manager is to co-ordinate and unify the entire organization so far as placing efficient men is concerned. The executive-in-chief has his hands full with the business matters of the firm. These are the things to which he must give attention, and any extra time which he may have should be used in constructive thinking. This is something for which managers never have sufficient time, since they are too completely absorbed in business details. Many well-established houses fall behind the times because the manager has no leisure to view his problems in the large. He lacks the time to study approaching business changes, and therefore they take him by surprise. Not foreseeing the future, he continues the methods which have succeeded in the past until some competitor with a clearer vision sweeps ahead by adapting himself to the altered conditions which are still far enough in the future to remain unseen by those who have no time to look and think.

But some one should have the task of systematizing and co-ordinating the different departments so that the highest efficiency may be attained. And, since this is largely finding the right men for the various places, the work naturally falls to the personnel manager. The writer is well aware that the selection of men for the higher administrative positions must remain with the chief executive, but he may at least confer with the personnel manager. The president of a large corporation recently asked the general manager of another company where he could find a man to fill a \$10,000 position. "Two of your former men whom I engaged at three times what you were paying would meet your requirements," was the reply. "Why didn't you discover their ability when you had them?" It was a pertinent question over which executives would do well to ponder.

To be sure, a departmental manager may object to losing a good man by having him promoted out of his de-

partment. The man may be doing work which cannot readily be picked up by another, and the departmental chief fears lest his organization may be disrupted. The objection is valid when the manager thinks only of his own department, but it is without force when the success of the entire organization is considered.

The welfare of the whole organization must always be foremost in any discussion of the psychology of business. This fact, of course, will be readily admitted. But when it comes to the application of this principle to a particular case, difficulties often arise. Naturally, each departmental head, while thoughtful of the success of the larger organization, is especially concerned about his own department. His reputation depends upon the efficiency of his men, and he sometimes feels that the loss of the one who should be advanced would seriously impair the strength of his unit. The paramount issue, however, is the success of the whole organization rather than that of isolated departments. It is indeed possible for the various departments to be working effectively though the entire organization is inefficient. This will be true when there is no unified coordination; when each departmental head is more concerned over his own unit than about systematizing the entire organization. And, again, all of the departments may be efficient to-day and demoralized to-morrow, though they may have lost none of their men. This happens when the morale breaks down. There are, of course, many causes of loss of morale, but the one in which we are at present interested is the discouragement and utter hopelessness that sweeps through an entire organization when men are brought in from the outside to fill the higher places.

There are two view-points from which this question may be observed, and both are of vital interest to the welfare of the firm. First, we have the question of efficiency—each man in the place for which his ability is best fitted. Of this we have already spoken. But a fact not so generally

recognized by business men is that a good personnel manager can actually find the right men for the places to which they are suited. If this needed proof before the World War, the personnel management of the War Department gave conclusive evidence that it can be done. Whatever may be said about mismanagement and waste during those tragic years, it cannot be denied that the results were marvelous when one considers the speed with which preparation had to be made, and the prodigious amount of skilled work for which men were needed. And the success of the American soldiers was achieved largely through the efficiency of the personnel committee of the War Department. This organization found the men who were demanded by the department for the work which had to be done before our soldiers could begin to fight. Many far-seeing business men have recognized this, and have introduced personnel management into their organizations. But others—those who cannot see even so far as the outlines of the present—have not yet adopted the plan.

The objection may be raised that the demands of the army were "different from my business." During the war there were many more positions for skilled men than any firm has at its disposal. This is true, but the question is, does it pay to have an organization that is watchful of the interests of its employees? Observation of the spirit of subordinates under these conditions gives ample evidence of increased efficiency.

The second view-point of the difference between employees whose service is appreciated and those whose merit goes unrewarded, shows the effect of the method of promotion upon the morale of a business organization. Promotion on merit does not affect merely the individual who is advanced; it exerts an influence upon the entire organization. Every one in the departmental unit knows about it, and the knowledge stimulates each to better work. It is a mistake to assume that associates in an office, factory,

or sales force do not know who is efficient. The manager may not know because he is too much occupied with other things, but the men know. And when an exceptionally good man is allowed to continue year after year in the same position, the morale of the force gradually disintegrates. The employees may not leave the firm, since one hesitates to exchange a certainty for an uncertainty, but the quality of their work drops because there is no incentive to maintain it at a high level. Something to work for—an attainment to which one looks forward—is needed if effort is to be sustained, and in business, promotion with greater responsibilities and increased salary is the reward of efficient service toward which young men expectantly and anxiously look.

But this is only a theoretical argument, the reader may say. "Business is a very practical matter, and this is only a visionary notion." The writer admits that in the final analysis the question is, Will a method work? We must ask, therefore, does business offer any ground for the belief that interest in the ambitions of subordinates improves the spirit of the organization? A. L. Filene, who has upward of 3,000 employees, thinks that he has found sufficient evidence to support this view. He discovered a stenographer of exceptional musical ability, and made it possible for her to realize her ambition. This reminds one of the case of Emil Fischer. Once more the hard-headed business man will probably say that the executive is not expected to start young men and women on careers. We are not trying to moralize. We are not concerned with sentimental arguments. We are interested at present solely in the effect upon the morale of Mr. Filene's employees of the knowledge spread through the organization that the firm is sufficiently interested in them to assist the ambition of so inconspicuous an individual as a stenographer. The extreme character of this case increases its significance. Evidently the executives of this firm see two

sets of partners in any business—those who invest their money, and the employees who contribute enthusiastic cooperation to the success of the business.

We said a few moments ago that a departmental manager frequently objects to having good men promoted out of his department, and we have given two reasons for rewarding efficient service by advancement regardless of the wishes of departmental managers. Both of these reasons are of the greatest significance for the success of large business enterprises. Putting men in positions suited to their ability and preserving the morale of the entire organization by respecting the aspirations of subordinates are not inferior in importance to any other factors of business success.

Efficiency, other things being equal, is determined by morale, and the morale of the sales, office, or factory organization depends in large measure upon the unspoken evidence of appreciation. We have emphasized elsewhere the superiority of actions over words. Let your subordinates know by what you do that you appreciate good work. The records which you keep on the personnel cards is the first evidence of your thoughtfulness of their failures or achievements. But the records that you keep must end in action. They must produce results, and, of course, promotion is the conclusive proof of your watchfulness, not only of their weaknesses but also of their strength.

Unfortunately there is no standard of success in subordinate business positions. At least, this is true when no personnel manager is at hand to check up the work accomplished. And by checking up, the writer does not mean merely a mechanical tabulation of the records of subordinates. It is quite true that this mechanically kept "score-card" produces results for a short time, because every one is interested in watching his own record. But the method has no lasting effect, and it is quite properly regarded by workmen as an attempt on the part of the management to keep them working to the limit.

Scientific management is concerned with improving mechanical efficiency. It arranges the raw material so that it will be where it is needed. It also eliminates useless and fatiguing movements. But it does not take the human factor into consideration. It pays no attention to thoughts and emotions. It does not take account of intelligence, of ambitions, hopes, and aspirations.

Personnel management, on the other hand, is concerned largely with the human side of industry and commerce. In the factory it will remove from deadening routine work those who are capable of thinking and planning. These men will be advanced to subordinate chieftainships with prospect of further promotion. And in the office, counting-room, and bank, the personnel manager will be watchful of the trend of ability which each man shows. Merit and ability should bring their reward, and it is the job of the personnel manager to see that they are discovered and recompensed.

We frequently read in the daily press the story of an office boy who ended as a railroad president. But intelligent people know that such cases illustrate Bacon's psychological comment upon similar events. "Men mark," he said, "when they hit, but never mark when they miss." And the thoughtful observer of human nature is reminded of the exclamation of that wise old Greek who, when shown the votive offerings to Neptune of those whom the sea-god had saved from shipwreck, cried: "But where are the offerings of the thousands who perished in the waves because Neptune overlooked them?"

Personnel work is an attempt to save those who are worth rescuing from the deadening ennui of uncongenial work for which they are not suited. And by saving promising young men whom chance has thrown into blind business alleys, new life is engendered in the firm. Yet, notwithstanding the sound common sense of personnel management, its progress has been impeded by the con-

servatism of human nature—hesitation in the presence of a rather radical business innovation.

There are several reasons for the slow progress of the newer ideas represented by personnel management. The first is that it requires a complete change of habits of thought. To become a devotee of personnel management, one's mental furnishings must undergo renovation and rearrangement. And unless the management believes in the plan to the limit of devotion, it will not succeed. But changing one's habits of thought produces about the severest distress that one can suffer. No physical pain, Walter Bagehot once wrote, can compare with the agony caused by the change of a long-established mental habit. This is the explanation of the resistance to innovations. All manner of objections are conjured up. One has only to look back over the history of business to see the obstructions through which new ideas have had to force their way. These obstructions are, of course, always mental obstacles, but that does not lessen the resistance which they offer. An objection, we have seen, is always as real and serious as its possessor thinks it is.

Another reason for the slow acceptance of personnel management is that its adoption necessitates a reversal of the attitude of those in power toward subordinates. This difficulty is really a special phase of habits of thought, since one's attitude toward subordinates is the result of fixed ideas regarding the relation between superiors and inferiors. A position of authority usually carries with it certain notions about authority. Superiority must be respected. Power must reveal itself else it may not be appreciated, and recognition of their power is commonly desired by those who possess it. This is especially true of those who have little to offer beyond the power that their position of authority wields.

A foreman or manager, therefore, is likely to feel that he must arbitrarily dominate those under him. He fears lest

his authority may not be respected if he does not display his power. Consequently, if an employee in the office or sales force does not give satisfactory results he must be discharged. To transfer him to another position, many foremen and managers think, would be interpreted as evidence of weakness. Besides, ascertaining the abilities of subordinates takes time, and a manager is not employed to study the men in his organization. His business is to manage. And it is much easier to discharge a man than to discover his abilities. In many other ways, also, it is the line of least resistance. One is less likely to be criticised if one follows conventional or traditional methods than if one adopts a new plan.

Then, again, men are prone to conjure up difficulties that will follow the adoption of a new method. They fear lest they may be called visionary. Besides, the new plan may not work, and then its advocate will be discredited. It has always been man's way when a new idea is suggested to see insurmountable obstacles in the way of its realization. He constructs hideous-looking straw men—monsters of ugliness—and then he works himself up into a fright over what is only a product of his conservative imagination. And personnel management, for many men, is still a new and visionary notion that looks dangerous when contemplated with all of its novelty and capacity for making trouble and work. Men do not want to undertake such an innovation, because human inertia resists giving up fixed ideas, reorganizing the mind, and facing courageously the difficulties and dangers of a new plan of management. Business men who watched Mr. Filene's early efforts to create good feeling among his employees by developing "sound store relationships" were inclined, he says, to think that he had lost his head.

This opposition to the new does not prevail in all business houses. Many business men have already observed the value of personnel management, and have introduced

it into their organizations. Unfortunately, however, a large number still think that it is only a troublesome and expensive "frill." The president of a large business house recently told the writer that, in his opinion, personnel management is just "bunk." "It is an interesting play-thing," he said, "for those who pretend that they are always up to date. But in our house," he added, "the man who doesn't fit where we put him is fired, and that ends it so far as we are concerned." It is to be regretted that a large number of business men have much the same point of view.

Personnel management, we have said, means a wholly changed attitude toward subordinates. The older idea was the one which we have just quoted. It consisted in hiring a man for a vacant position, keeping him if he met the requirement, or discharging him if he was unsatisfactory. This was the easiest way of meeting the problem, since it put all of the responsibility on the employee, and made no demands on the intelligence of the foreman or manager. So long as labor, both skilled and unskilled, was abundant, this method appealed to the management as the least expensive and least troublesome. Recently, and especially since the World War, many business men have concluded that this was never an economical way of meeting the situation; and to-day, with skilled labor continually growing scarcer, the need of taking stock of the skill and ability of subordinates is increasingly evident.

The newer view-point is that men have different kinds of ability—that every one who is not a moron has ability for one thing or another. This does not mean that every one has exceptional ability, but that each man is better fitted for one kind of work than for another, and that one who is doing the thing for which he is fitted is happier than when doing distasteful work, and, consequently, is more productive.

It is not the author's intention to write a chapter on the

social and industrial value of happiness, though much might be said in its favor. His attitude for the moment is that of the psychological business man. If we consider the question strictly from the view-point of utility, does it pay to locate men in an organization by the hit-or-miss method, putting the applicant who looks good into the position that happens to be vacant, and then forgetting him unless he proves hopelessly inefficient? Experience and statistical records have clearly shown that this orderless plan does not pay.

We said a moment ago that this is not to be a chapter on the economics of happiness, but the subject is worth a slight digression in its relation to business efficiency. Men do their best work when they are contented. A man of intelligence and energy may do satisfactory work in a position which he does not enjoy. But if he does, the reason is that he is determined to succeed in whatever position he may be placed. These men, however, are the ones above all others who should be doing the sort of work for which they are best fitted. They are the most hopeful prospects of the firm, the ones to whom the house should "sell" itself. In the long run it does not pay to keep a man in a position in which he is unhappy, even though he may continue to do satisfactory work. Contentment is a tremendously important factor in achievement, and business firms naturally want the most effective work of which their employees are capable.

It cannot be repeated too often that organization for efficiency means, among other things, taking the human factors into account. It is a long distance from executive to men in the office or factory. The manager is absorbed in the worries of the business, and he has no time to learn to know the men who are attending to the details which make his management possible. Even though he does know them the nature of his acquaintance may be of such a sort that his subordinates think the distance between

them greater than the manager wishes it to be. Probably all men in positions of authority believe in promotion for merit. They all believe in a "square deal," but they differ in their interpretation of the phrase, and they vary still more in the manner in which they carry out the idea. Some men are wholly unable to create among their subordinates a feeling of co-operative comradeship, and without this unity of purpose there can be no team activity. It should be remembered that the good intentions of the manager are not the influential factors. If he does not succeed in getting his good intentions across the space that intervenes between himself and his subordinates, his beneficent purposes accomplish nothing. And this space may be a psychological separation. Men who talk with the manager many times a day may see a gulf between themselves and him which no effort of their own can bridge. And now we come to the crucial question in co-operative team-work for a common cause. What do the workers think? What is in their minds?

"I don't know what our men are thinking about; their thoughts do not worry me," was the statement recently made to the writer by the president of a company that employs between 22,000 and 23,000 men.

"But do you not think that it would be helpful in your business to be informed about the thoughts and feelings of your office and factory men?"

"Well, we have not found it necessary, and I don't see the use of introducing something that we have never missed. My principle is to cut out all red tape, or rather never to let red tape get into the business machinery. It clogs the wheels. So we have not organized any method of keeping track of the trend of opinion in our factories. When an emergency arises we do what we think we should, and take the consequences."

The writer has quoted this conversation because it represents the opinion of a type of business man, and, it is to

be regretted, a good many belong to this class. "Let things go until an emergency arises and then meet the emergency." But is this leadership? Some business men of wide reputation think that it is not. They believe that the good-will of employees is not a negligible factor in the business programme.

"In any place where several thousand people are gathered under a single roof in a single pursuit," says A. L. Filene, "a considerable force of public opinion is exerted.

"This is not only a real public opinion in itself; it is a part and parcel of public opinion in general, and it speaks with the same authority. It may not always speak its mind clearly, but it is there to be felt. An employer may affect to ignore this fact, but he will do so with immediate consequences to his business. What his employees think of him his customers are apt to think. If he affronts the common opinion of his employees, he breaks their morale, cools their zeal, and in any number of ways sets himself or them on the wrong path. The original question thus returns, whether it is not simply good business, if nothing more, to have your work-associates real associates, rather than so many individuals working for a wage." <sup>1</sup>

Serious emergencies, such as strikes, are not what we are interested in at present. Our problem is rather organization for efficiency, and its psychology. And in connection with keeping in close contact with subordinates we may profitably turn to the military branch of our national service.

No organization exists in which the thoughts and feelings of the men could be more completely ignored than in the army—if it paid. But military commanders have found that efficiency depends quite as much upon the thoughts and feelings of the soldiers as it does upon the skill of the commander. Indeed, we may say without exaggeration that no general, however great he may be, can win vic-

<sup>1</sup> *A Merchant's Horizon*, by A. L. Filene, p. 13. (Houghton Mifflin.)

tories if the morale of his soldiers is broken. Consequently, the first thing that a military commander does when he takes command of a discouraged army is to re-establish its spirit. He does not act on the spur of the moment and then take the consequences, as does the business man whom we quoted above. The reasons for mental depression may have no connection with the military ability of the former leader. These causes may be the treatment of the soldiers, or, again, they may be more strictly psychological. In any case a wise commander discovers and remedies the defects, for he knows that without morale, victories cannot be won. Now removing the cause of complaint is as important in business as in the army. Earl Howard, labor manager for Hart, Schaffner & Marx, as quoted by Miss Follett,<sup>1</sup> says that "The first question he always asks himself in regard to any complaint or request of a workman is 'What is there in the conditions of this plant or industry, or in the general living conditions that has caused this attitude on the part of the workman?'"

The value of personnel management cannot be estimated in dollars, but one executive who has 5,000 men on his pay-roll said recently that he regarded it as one of his most valuable assets. "I was greatly opposed to it at first," this manager told the writer, "but I was impressed by the work of the personnel committee during the war, and so I decided to investigate. I found that this committee placed men with amazing success, and I learned also that several business houses observed a rather remarkable improvement in the morale of their men after they had engaged a personnel manager. One cause of this improvement was the assurance of subordinates that they were being observed with friendly intentions. The hope of a personnel manager, I am told, is that he may find something good rather than bad in the employees. He is looking for ability."

<sup>1</sup> *Creative Experience*, by M. P. Follett, p. 79. (Longmans, Green.)

"We don't object to being watched," said a workman in this factory to the writer, "if the purpose is not to get more work out of us so that the stockholders may get more dividends. Besides," he added, "this really isn't watching. We have had a number of tests taken, tests of intelligence, and of mental alertness; I came out pretty well in all of them. We have also been asked questions from time to time about the books that we read. And believe me, these questions have started a lot of us to thinking and reading. You would hardly believe it, but we have become greatly interested in this personnel work."

"Why have you become interested?" was asked.

"I'll tell you. This personnel plan gives us a chance. Of course there are a lot of young fellows here who think only of movies, and girls, and where they will spend the evening, but we're not all of that sort. A good many of us want to advance. Some have got into the wrong pew here, not because they did not know what they were doing, but because this was the only thing they could get. See that fellow over there—he's a wonder at figures, and he wants to get into the office. That tall man over in the corner is a graduate of a technical school over in Europe somewhere. He has no business here, but he's a foreigner; he hasn't been in this country long and couldn't get anything else to do. He has mighty good stuff in him and ought to be a foreman. They say that he has invented something but didn't have money enough to put it through. He's all right if he gets a chance, and he knows that our personnel manager has his eye on him. As for me, I don't know just what I am fitted for, but I'm mighty sure that I can do something better than this.

"I am studying and reading nights now. I never thought of it until the personnel man asked me how much education I had had and what books I was reading. Before that I didn't think much about books. I just thought that I would stay here until I got a better job and then move on.

But lately two or three of the men have been promoted, and when I asked them how it happened they said that they didn't know; that personnel fellow had asked them about their reading, and they told him that they had been studying in the night school and expected to take university extension courses next year. That opened my eyes and I made up my mind to get busy. You see a fellow doesn't get anywhere by just drifting. I might get another job with more pay, but I wouldn't be going ahead. So I decided to stay right here and see what I could do. The thing that settled me was this business that they call personnel management. It looks to me like it gives a fellow a chance if he has anything in him. And somehow I think I have the stuff if I can just get a little more education and do more reading.

"You wouldn't believe it, but I like to read and study now. I didn't think I should, but you see I never had a chance. My father was a coal-miner and when I was big enough to do a boy's work, he put me into the mine. I stayed until I was earning a man's wages, but I didn't like the work, and so I thought I would strike out for myself. I've worked in a dozen different factories, but in all of them I was just a tool.

"Finally, I landed here, and at first I didn't like it any better than the other places. The workmen were still things to get work out of. Then the president got this personnel bee in his bonnet. First he got a man who stayed in his office as much as the manager. He tested us, asked us questions, and wrote everything down on cards—rating-cards I have found they are called, because I've been doing a little reading about that, too. But the personnel manager never came into the factory unless he wanted to make another test. Then they let him go and got the present man, and believe me, he's the goods! He spends more time with us than he does in his office. There isn't anything the men wouldn't do for him. He's started a lot

of us reading along lines that he says we are fitted for if we only prepare. We see something ahead of us now and we didn't before."

This conversation has been given at some length because it represents the view of an employee regarding the right sort of personnel management. The writer does not know whether this man is typical or not, but he was selected at random, and, according to his story, there are others like him in the plant.

It is useless for business men to say that few of their employees have ambition to prepare for higher grades of work, because the environment is often the determining factor. Ambition may not reveal itself when no incentive is present to start it. To illustrate from a different field, it has been noticed in looking back over history that eminent men are frequently bunched both in time and place. Now it would strain the doctrine of chance to assume that an unusual number of men of ability happened to be born at a certain time and in certain localities. It is much more probable that the environment stimulated their ambitions and made them conscious of their powers.

The writer does not mean to imply that geniuses are likely to be present in large numbers among the employees of the factory or office, though they have been found there. William Smith, an English land surveyor, for example, discovered that fossils are the key for unlocking the geological beds of rock; F. W. Bessel, a merchant's clerk, calculated the orbit of Halley's comet; Bernard Palissy, a potter, explained the origin of springs, and James Watt, an instrument maker, transformed Newcomen's crude steam-engine into an efficient machine, thereby giving to industry its most valuable single asset.

It is the importance of discovering the ability which subordinates have that the writer is emphasizing. Management is no less scientific because it is human. Indeed, an organization which takes human nature into account is

much more scientific than that which ignores it. The control and direction of men can be so mechanized, reduced to such perfect system and order, that it becomes unscientific. It would be well worth while for the president and manager of a large concern to drop work for an hour and think about the conditions which would arouse or stifle in themselves interest in their work. The first illuminating fact which they would discover is that incentives are necessary; and, if these men would catechise themselves by asking, for instance, whether wages alone would exhaust the matter of interest for them, they would surely answer "No." There must be some outlook into the future, some view ahead to prevent discontent from arising.

Not long ago the writer was talking to a man of thirty-five who had become mired in one of those closed alleys that all lines of business have. His manager spoke well of him, especially of his earlier work. He had been a young man of promise, so promising, indeed, that some ten years earlier he had been given an important position. The position was difficult to fill, and he had been selected as the one who could meet its requirements. He had done the work in a way that won the esteem of his manager. Indeed, he was so successful that his advancement was delayed until some one equally fitted for his difficult position could be found. Promotion, however, required that he be transferred from one department to another, and since he was efficient in a place which demanded care and accuracy, the day of advancement was continually postponed. But later he has not been quite as satisfactory, and it was at this time that the writer made his acquaintance. The conversation which followed will be enlightening for managers.

"I was greatly pleased when I was given the position which I still hold," he said. "At that time I was only twenty-two, and the work involved responsibility. Naturally, I felt that it was only the beginning of my career.

I put all of my energy into the work, determined to show the firm that I was worth watching and advancing. But it seems to me now, if such a thing is possible, that I did my work too well. It is not that I think any work can be done too well, but here was a position in which the firm had tried out something like half a dozen men, and all had been failures. I suppose it was only natural that when the manager found one who could meet the requirements satisfactorily he would not wish to transfer him to a better position, or to recommend him for promotion into another department. But you see the effect of this upon me.

"I continued to do my work well, but it became more and more monotonous. I was positive that I had ability for a higher class of work which would offer more variety and greater responsibility. Of course, my position was a responsible one, but the work was mechanical, and the responsibility consisted in constant care and watchfulness. I wanted a chance to use my judgment, to decide questions, or at least to help to settle them. In other words, my inclinations have always been of an administrative sort. When I was in the high school, I managed the baseball and football teams, and the superintendent said that I was an unusually successful manager.

"Do you wonder, then, that with this desire for something better I have grown stale in my work? I am still careful, but I have lost interest, and I feel that I have lost at least five years of my life. My manager says that I am not as good as I was five years ago. I suppose he is right, but would you continue enthusiastic over routine work when all of your inclinations were for something with more chances to fail as well as to succeed? Of course, I ought to continue to do my present work as well as I did at first, and now, since I know that I have been slipping, I intend to brace up as long as I stay on this job, but I shall get out as soon as I can find a position with promotion ahead. I made a bad mistake in staying after it be-

came evident that the management had decided to keep me in this position just because of the difficulty of finding some one to do the work."

Monotony means loss of interest. Growth and development cease. A factory or office job is neither interesting nor monotonous of itself. Interest depends upon the relation that exists between the task and the man who does it. When work becomes habitual and automatic, monotony begins, and unless there is some incentive to buoy the mind, attention and interest soon sink to the passive level of ineptitude.

Personnel management has been described by Tead and Metcalf<sup>1</sup> as "the direction and co-ordination of the human relations of any organization with a view to getting the maximum necessary production with a minimum of effort and friction, and with proper regard for the genuine well-being of the workers." This definition is satisfactory, provided the minimum of effort and friction, and proper regard for the genuine well-being of the workers be understood to include shifting and promoting men whose ability warrants advancement.

The mental qualities with which personnel management is concerned are measured in part by intelligence and alertness tests, which have now been worked out to rather remarkable accuracy. Here, also, come measurements of temperament and emotional make-up, together with adaptability to new situations. This involves several qualities; first of all, the intelligence to see and understand problems, and then the ability to solve them. If the problem requires that men or women be dealt with, as in the case of misunderstanding or persuasion, has the applicant the tact and personality needed to meet the situation? Further, two men with the same intelligence rating may vary in respect to calmness, patience, and perseverance. One man may be deliberate, careful, and hence slow and sure, while

<sup>1</sup> *Personnel Administration*, p. 2. (McGraw-Hill Co.)

another may be quick, excitable, impatient with delay, and therefore prone to make mistakes. But, again, these mistakes may be made only in certain kinds of work with which this man has no patience. He may be of inestimable value in a position in which his imagination has a chance.

Patience and irritability with one's work can be observed, and changes of occupation should be made accordingly. Adaptability to one's associates in the office or factory is also easy to discover, but that large group of qualities which manifest themselves in the outlook on life which may be described as a man's social or moral attitude toward the many and perplexing problems of life, requires closer scrutiny and analysis. This group includes, of course, ambition and the qualities which are prerequisites for realization of the individual's aspirations. And it is in judging men in these respects that the personnel manager himself is most severely tested. The notion that any one of good intelligence can make a successful personnel manager is a mistake. First of all, only students of human nature should be employed in this position. It is easy to ask questions but hard to select those which will test different kinds of intelligence. And only one trained in psychology is competent to do this. Then, as we have said, the interpretation of the answers is even more difficult. The words that constitute the reply are often a very small part of what a psychologist can see in the statements of the young man under examination.

But not all psychologists make good personnel managers, for the work requires an exceptional type of mind. Psychologists who think that the only function of such a manager is to make tests, and who know nothing about the men beyond what the rating-cards show, do not realize the possibilities of personnel management. Tests of various sorts are necessary, and they should be carefully kept and filed; but the rating-cards should contain much that

cannot be discovered in the tests. Is the young man's dress flashy, for example, or, if not flashy, does it show bad taste? Does he realize the importance of information for solving a business problem? Is he tactful, or does he irritate by his efforts to be bright? Is he so conceited that he offends? In his attempts to be witty, is he coarse? Does he co-operate, or is he hostile toward suggestions? Is he sure of his opinions, or is he aware of what he does not know? Is he resourceful and a leader, or must he always be directed and, perhaps, supervised? These are only a few of the many important questions which tests do not answer, and concerning which even a personal interview may leave an intelligent observer in doubt. Contact and often a rather intimate association are needed that the personnel manager may not err in his judgments.

The fundamental condition of industry or commerce is a loyal and efficient organization. But without the consent of the workers, whether in office or factory, efficiency cannot exist, and this consent must be voluntary and cordial. This is, in part, the justification of personnel management. Mechanical efficiency of human beings—or factitious efficiency created without the consent of the workers—in the long run is inefficient.

Much attention has been given to organizing the factory's flow of work, to routing and scheduling from process to process that time and labor may be saved. Arrangements have also been made to save employees the fatigue of stooping. All of these things have been done to meet the requirements of one source of efficiency, namely, economy. But efficiency has two sources from which it springs, and the second—the good-will of the employees—is equally important. Indeed, without this good-will, the greatest economy cannot be achieved.

Industrial and commercial conditions need not be less scientific because they are human. Psychology has produced a large body of knowledge about human behavior,

its motives, impulses, and desires. The creative impulse—"the instinct of workmanship"—operative alike in factory and office—is a fundamental human characteristic. And closely related to this is ambition. Men have an insatiate desire to be known as amounting to something. If any say that they do not care, their pretense is a pose. They are using the protective device to compensate for what they want but have not yet obtained. But this protective compensation never fully satisfies; consequently, such men are always discontented, and at best only moderately efficient. They are the cause of much of the suppressed dissatisfaction in the office and factory. To remedy this smouldering resentment it is necessary to find out what these men are good for, and then to give them a chance.

Associated with the wish to amount to something is the desire for approval. In spite of all protestations to the contrary, every reasonably normal man seeks the approval of others, and he is never altogether satisfied if he feels that he does not have it. The range which this desire covers depends upon one's work. With authors it always includes those engaged in similar work, and may extend throughout the country. Even though the pecuniary reward may be large, this desire for approval is unsatisfied unless the approbation of one's fellow writers follows; and those in commerce or industry are not exceptions to this rule.

Naturally, the desire for approval always looks to the "High Command." The esteem of those for whom one works means, or should mean, substantial evidence of approval. Failure to see the proof in prospects of promotion disturbs the mental poise and ends in discontent if not resentment. A good many things, if not states of mind, are dependent upon the mental attitude; and efficiency is one of these things.

Finally, closely associated with the wish for approval is

the desire for justice. To be sure, this human longing at times takes various forms, and, not infrequently, the claims of different individuals seem to clash. But these contradictory views about the rights of justice will continue so long as men fail to understand the conflicting points of view. "Fair play" and a "square deal" are often simple if the contestants in the game of life can get together and explain their opposing views. Most people are not quite so obtuse and unreasonable as those who are clashing with them think. But if rivals for a favorable decision from the god of justice stand on their "rights," and prepare for battle, nothing but turmoil can result. It would be interesting to know what this attitude has cost the business interests of the country. The attempt to understand what is on the mind of "the other fellow" would seem worth trying. Certainly efficiency cannot prevail in any organization so long as the belief of injustice exists in the minds of subordinates. And it should be frequently repeated that a condition is just as real as those concerned believe it to be. We know now, for example, that the oppression by England of the American colonists was largely imaginary, but since our forefathers believed that they were oppressed, war resulted. Had the English government been willing to learn what was actually in the minds of the colonists the war would have been unnecessary. Without doubt, separation would have come finally, because America was too big, and would soon be too powerful to remain a dependency of any country. But an understanding of the thoughts and feelings of the other by each claimant for justice might have established good feeling and saved the terrible destruction of property and of life. Both England and the colonists, however, stood on their "rights" as they saw them, and the conflict followed. Conflict, with its resulting loss, is always certain when there is misunderstanding of the claims of justice.

If misunderstanding in business does not result in the

struggle of a strike, with its attending financial waste, it at least causes discontent with its accompanying inefficiency. Many times the writer has heard managers wonder why production in their factories had fallen to a disturbing level, or why the office work was not up to its former grade. But these managers had no means of learning the state of mind of their employees. "We have no plans for knowing the trend of thought either in our factories or office," said one manager.

"Do you have a personnel manager?"

"No. It has been our policy to cut out all useless accessories," was the reply.

And the president of another large manufactory, in reply to the same question, said: "I should consider a personnel manager a luxury."

But some so-called luxuries in business have become necessities for alert men who watch the movement of the times. By not knowing what their men are thinking, by being oblivious to the wishes of those who want to count for something, by being unconcerned about the craving for approval and the inborn desire for justice, employers leave factory and office alike at the mercy of the undercurrent of discontent, which, like the little flame started by a match, first smoulders for a time and then bursts into an irresistible conflagration. The manager of one large factory found, when too late to avoid a serious strike, that the discontent was caused by the constant nagging of a foreman.

But it must not be supposed that the chief purpose of personnel management is to save the expense of strikes. It is with efficiency that the writer is concerned, and employers should again be reminded that successful administration is impossible without the good-will of subordinates from the highest to the lowest. And at least a chance to make good is one of the ingredients of good-will in those who are working for a wage.

But every large concern, we are told, has middle-aged men who do not wish work that requires thinking. "We all have too many men who have become machines," said the chief executive of a large company recently. "Yet we cannot discharge them, for they would starve." But were they always thus? The writer doubts it. Men should be sifted while young enough to hear the call of ambition. Monotonous work continued throughout years breaks down initiative. Any organization which is clogged with routine men is poorly administered. The management is to blame.

It is often forgotten that there are always two aspects to efficient production, whether in the factory or office. First, there is the mechanical organization—securing the raw material and arranging for its most economic preparation—and second, the way in which each man feels toward the work that he is doing. If the latter is to be effective each employee must find the work that satisfies him, or rather, he must be helped to find it. Some jobs are, from their nature, monotonous and uninteresting. Shall manufacturers then follow the obvious conclusion of the psychiatrist who has said that "the feeble-minded make the best machine-feeders," or should they try in some way to compensate for the monotony of the routine work? Without attempting to settle this question, a prolonged discussion of which hardly belongs to the psychology of personnel management, we may quote a pertinent story related by F. H. Selden.<sup>1</sup> It may be called "The Adventures of a Machine with an Intelligent Workman and a Stupid Foreman."

"Usually, only cheap help was employed at a certain machine, as the foreman prided himself on getting work out at a minimum expense. The regular hand quit and it was necessary to put another man in his place. The new operator looked the machine over, fixed it up, and decided

<sup>1</sup> *American Journal of Sociology*, vol. XXIV, p. 646.

to run it on a faster speed. To do this, however, he must watch it very closely . . . [which] necessitated keeping his ear close to the cutter. Being a tall man, this could be accomplished without undue fatigue only by sitting down. He got a nail-keg and sat close to the machine, but as his ear was directed toward the cutter his eyes were apparently looking about the room. Only a day or two elapsed before the foreman called him down for his lazy tendencies in sitting at his work. This reprimand, of course, resulted in his putting the machine back on slow speed and assuming an attentive attitude."

The writer can match this with the story of a stenographer. We will call it "The Story of a Secretary Who Neglected Work to Think."

The manager had dictated his usual morning grist of letters, and his secretary was copying one on the typewriter when some figures made her hesitate. The letter gave a quotation for a large quantity of goods—\$50,000 was the price quoted. Somehow the figures did not look quite right. The secretary started to take her doubts to the manager, but when she opened the door of his office, she saw that her chief was busily occupied with the president of the company. Consequently the secretary, being a resourceful young woman, obtained the necessary data elsewhere and sat down to do a little figuring on her own account. The computation was somewhat involved, and before it was completed the manager pressed the button calling the secretary into his office.

"Letters done?" he asked.

"No, sir, I have not finished the first one. I did not feel quite sure about the quotation, so I have been trying to figure it out myself."

"You are not employed to figure. Those letters are important and they should go out at once. Please attend to them without further delay." And she did, but later it

was discovered that the quotation was just \$5,000 too low. The article quoted was new, and consequently the sales manager had few previous sales by which to check his price; further, he had used a short method in his computation, ending with the error that we have given. One may well doubt whether either mechanical or human efficiency existed in this office.

One requirement which makes the selection of the personnel manager so important is that he should be a man who can win the confidence of all subordinates. Naturally, the first quality of such a manager is strict intellectual honesty in dealing with the men. If he does not have their respect he is a failure; for subordinates quickly see through subterfuge and equivocation. Men soon lose respect for a personnel manager who raises hopes that are not realized, or who promotes for personal reasons rather than on merit. Others see through us even though we do not understand ourselves.

Business men want loyalty, and their desire is just. But loyalty cannot prevail unless subordinates feel that they are fairly treated. And fair treatment means recognition of worth, whatever other significance it may have. With this recognition must come opportunity for advancement on the basis of value given. The writer has talked with several hundred young men who are in various lines of business, and he has yet to hear one express desire for promotion for any other reason than merit. But he has heard many complain that the company for which they worked had no means of knowing whether they were fitted for a vacant position that was filled by calling in an outside man. Loyalty, as we have already said, should run through the organization in both directions, from above down through the office or factory as well as from subordinates to the high command. And loyalty in the manager's office toward the men requires knowledge of what

employees are doing and what they are thinking. But this knowledge can only be obtained through some intermediary whose sole business is to know the men. For business purposes the expression "by their works ye shall know them" should be amplified into "by their works and thoughts ye shall know them," for the thoughts of men reveal their feelings of satisfaction or dissatisfaction with the treatment which they receive.

Finally, then, it should be some one's business to observe the morale of the subordinates in a large business enterprise, and that "some one" should be close enough to the men to be taken into their confidence. Naturally, the man should be the personnel manager, and he should be one of those rare individuals who can mingle with the men as one of them. They should regard him as their representative in the firm—the man who looks out for their interests, the one who knows what they are doing, who appreciates good work, and who will see that it is rewarded as opportunity offers.

You may say that a personnel manager will not have time for this intimate contact, and yet, here is where much of the inefficiency of personnel management begins. Too often it has been made merely a matter of tabulation on rating-cards. Like many other good plans which have failed, it has broken down because it was mechanized. If personnel management is to be made of value a large enough force of assistants must be employed to give the manager leisure to become personally acquainted with the men, and his acquaintance should be replete with frequent and intimate contact. He should, as we have said, know their ambitions and expectations, for only with this knowledge can he tell them wherein they fail. And when he has their confidence his admonitions are as effective as his praise. If under these conditions of mutual respect the coveted promotion is not secured, one is encouraged to

continue vigorous efforts to qualify for the requirements. Personnel management tempers cold efficiency with human interest, and it cannot be ignored so long as the morale of the organization supplies the motive power for achievement.

NATIONAL INSTITUTE OF INDUSTRIAL RELATIONS

## CHAPTER VII

### THINKING AS AN ASSET IN BUSINESS

THE present writer is an unofficial inspector of St. Louis business. It is his custom to walk around the city in search of exercise and constructive business problems. And one of the things which has attracted his attention in the course of his wanderings is the large number of business places which are opened and closed within a few months. In one instance no less than six restaurants were opened in the same building "under new management" during a period of two years. This is an average existence of four months each, which is a pretty short time, though probably long enough for the owners to lose considerable money. One cannot help wondering how much thinking was done by the men who put their money into these restaurants before they risked the venture.

The belief that thinking is a human trait is popular because it humors vanity. "The old metaphysical notion that man always thinks," Wundt once wrote, "has not entirely disappeared. I myself," he continued, "am inclined to hold that man thinks very little and very seldom."

There is an old joke about a man who sawed off the limb of a tree upon which he sat, but an item in the *St. Louis Globe Democrat* transformed the joke into a fact. A workman "had been ordered to saw off the end of a beam which projected from a window over the street. He went up, got out on the end of the beam and carefully sawed it in two between himself and the window. He and the beam fell together to the pavement. Neither was hurt much. The beam was a little bruised on one corner, and Patrick was unconscious from a couple of scalp wounds." One cannot help wondering whether the men who go into

bankruptcy within a short time after starting in business do any more thinking than Patrick did.

Thinking is selecting the essential factors in a situation and seeing their relation to the problem in hand. Naturally, the significant factors must first be discovered, and that is usually a difficult proposition to negotiate. Perhaps we may best approach this question through some scientific problems which have now been settled. This approach has the advantage of being free from the emotional obstructions that cluster about present-day questions. Besides, these scientific problems were attacked in the strictly scientific way, which is also applicable to business.

Strange as it may seem, intelligent men formerly believed that animals appear spontaneously—that they do not need parents to give them birth. Every business man who passed his boyhood in the country will remember that he and his associates at times put horse hairs into rain-water barrels and watched them turn into wriggling snakes. Knowledge permeates slowly through the masses, and it is not surprising that boys do not know how to attack a problem scientifically. But this is one of the things that men should learn, and business men, in planning for success, must understand that “reason,” “sense,” and “experience” need to be verified by investigation.

We have already discussed experience at some length, but since conviction of its fallibility is of importance for thinking, it can hardly be omitted from the present chapter. Indeed, the seductive treachery of experience cannot be emphasized too often. It is the cause of many errors. In the seventeenth century a scientific bolshevik, Sir Thomas Browne, ventured to doubt the observation of many that mice may be bred by putrefaction, and Alexander Ross, one of the standpatters of his day, felt that such radicalism should be suppressed before it got beyond control. “Some men doubt,” he said, referring to Browne’s bolshevistic utterances, “whether worms are generated without

ancestors in cheese and timber, or whether butterflies, locusts, shell-fish, snails, eels, and such life be created in putrified matter. . . . To question this is to question *reason*, *sense*, and *experience*. If any one doubts this," Ross continued as a clinching argument, "let him go to Egypt, and there he will find the fields swarming with mice begat of the mud of the Nile to the great calamity of the inhabitants." A more recent judgment from experience, and of greater significance, perhaps, because less ridiculous, was the reception given Doctor Banting's request for opportunity to undertake the investigation that led to the discovery of insulin—the new treatment for diabetes. "Ten years' experimentation along the line that you propose has failed to produce results in England," was the first reply to his request for an opportunity to investigate.

Experience is a gay deceiver. It flatters one with the prominence that it gives one's wisdom. We are loath to believe that what we have gone through and personally observed, is untrue. But just as the question whether life is worth living depends upon the liver, so the value of experience is determined by the experiencer. It is, as we have seen, a matter of interpretation. Events move on in our life and organize themselves unless we take an active part in their criticism and organization. These events thus acquire a certain setting. They assume relationships to one another—relationships of cause and effect, for example. And the relation of cause is assumed merely because one event preceded the other. Or, again, certain events do not work out successfully, and the conclusion that they will not succeed seems inevitable, though the failure may be due to the manner in which we have managed them. But we do not see this. The failure is all that we observe, and our part in it is overlooked. An illustration will make this clear.

A man bought real estate in a suburban subdivision. The price was reasonable and the expectation of selling at

an advance was justified. But the war came and real estate did not move. After the war the increase in the cost of labor and material stopped the erection of houses, and of course when building ceased residential lots could not be sold. Consequently, interest on the investment reached such a sum that the purchaser of whom we are speaking could not sell for a price that would enable him to break even. Now he says that he is through with real estate as an investment. Experience has taught him that real estate does not pay.

But many unusual factors entered into this experience. At the time when this man made his purchase, war seemed remote, and if it had been delayed a few years he would have disposed of his holdings at a handsome profit. Then, again, the war was the cause of the enormous advance in building costs. But the investor did not see these factors in their proper relationship. All that he discovered in his experience was that he bought for a rise and must sell at a loss. Meanwhile acquaintances had made money in other ways. Therefore "real estate is a bad investment." This man has had his experience, and "you cannot go back of that."

Protective thinking plays an important rôle in the drama of experience. We do not want to admit even to ourselves that we are to blame for the failure of plans which we began, but did not carry through. The ease with which we deceive ourselves is one of the interesting bits of psychology. It wrecks many promising careers. The value of knowing oneself was urged many years ago by a Greek philosopher who was quite aware of the ease with which men deceive themselves. Socrates was not a business man, but he knew a great deal about mental efficiency. And straight, clear thinking is as much of an asset in business as it is in the line of work in which Socrates became so famous.

Perhaps an illustration from the past will best show

how bad a teacher experience may sometimes be. The question from which the illustration is drawn is one which has been finally and definitely decided against the experience of large numbers of men. Consequently, the example reveals the deceptive nature of this method of settling questions which depend upon knowledge that experience can never reveal.

After steam had made the railroad a possibility and it was proposed that one should be built, Chancellor Livingston of New York demonstrated the futility of such a chimerical proposition. A massive foundation of masonry, he maintained, would be required throughout the length of the entire road; and, besides, on account of the weight of the train its great momentum would prevent it from stopping until it had gone several miles beyond the station. And then to strengthen his argument, he added that no one would be foolish enough to risk his life rushing through the air at the terrific rate of twelve or fifteen miles an hour.

Daniel Webster also joined the opposition with a bit of wisdom which he had learned from observation. The frost on the rails, he said, would prevent trains from moving or from being stopped if by some miracle they ever did start. After a ride on the first train from Baltimore to Ellicott City, a prominent Washington editor said that railroads might be of service for carrying freight. He was even willing to admit that passenger-trains might reach a speed of twelve miles an hour, which he was sure would be as fast as any sane man would want to ride.

Thinking is also impeded by previously expressed opinions. Having asserted a belief, one is loath to withdraw the assertion and admit error of judgment. Men tend to stake out a larger claim on wisdom than their knowledge warrants. An Edison, for example, who has accomplished great things in electrical inventions, speaks with assurance on psychology and political policies. A given man may be excellent in some things, mediocre in others, and, in still

others, a complete failure. A few illustrations will show how true this is.

Robert Toombs was an economist and financier of exceptional ability. As secretary of the treasury in the Confederate cabinet he might have saved the financial situation, but as secretary of state he was a wretched failure. Benjamin accomplished nothing as attorney-general, and as secretary of war he did no better. But when he was finally made secretary of state he found his place. Joseph E. Johnston, again, was a highly trained, efficient officer. In defensive warfare he probably had no superior, but he lacked aggressiveness. He was so constituted by nature that he could not assume responsibility. He could not take the initiative. When given a department that included the armies of Bragg and Pemberton, with a chance to play a decisive rôle in the war, he could not decide to recommend the removal of Bragg, who had lost the confidence of his officers, or to assume the command of both armies, which was the intention of Secretary of War Seddon when he secured Johnston's commission. Thus we see that there are some matters about which men are unable to think clearly, as Professor F. W. Taussig discovered in his study of *Inventors and Money-Makers*. "No one individual," he says, "is likely to possess to a high degree different kinds of capacity."

Thinking is commonly thought to be a natural, spontaneous process of the mind, but, as a matter of fact, it is an unusual and rare occurrence. The mere succession of ideas, even of related ideas, is not thinking, because the ideas may not have any vital connection with the problem in hand. A business man, for example, may have to settle the question of advertising the product of his factory. Now advertising is an expensive proposition unless it brings results. There are many ways in which money may be wasted. Let us note a few of the many facts which must be considered in thinking out such a question.

Naturally, not every one is interested in the same com-

modity, and periodicals are read by different classes of people. Consequently, one of the first questions to be settled is, in what magazine or periodical to advertise. After this has been determined a number of other questions must be decided—the selection of appeals, the use of argument and suggestion, the comparative value of the size of advertisements, and the amount of reading-matter most profitable in the space.

The selection of appeals, again, is a matter that requires careful analysis by some one who has considerable psychological knowledge. Then, too, there are other questions. How much space should be used for pictures and illustrations? What is the value of attractive pictures which have no relation to the product advertised? Should quality or price be emphasized?

Further, to what extent should argument be used in an advertisement? We know the value of suggestion, but how does it compare in pulling power with argument? And if argument is to be used, how may it be introduced so as to be at the same time suggestive? It is generally admitted that cold argument does not lead to purchase. To be effective it must be introduced so subtly that the reader is not aware that it is argument. This is a marvelously delicate operation. If the reader becomes aware that you are arguing with him, he is at once on guard. The reasons for buying your products rather than those of a competitor must be presented so subtly that the reader does not see that you are arguing the value of your goods. People resent being told what they should buy.

The comparative value of the size of advertisements is also important. And closely connected with size is the frequency of the insertion of the advertisement. When other conditions are equal, "for display advertising where the attention of the reader must be attracted," Starch has found<sup>1</sup> that "large space used less frequently is more effective than small space used more frequently." But the

<sup>1</sup> *Principles of Advertising*, pp. 577-578.

phrase "other conditions being equal" introduces many variations that require careful analysis by one who can interpret the other conditions.

Again, the value of white paper should not be ignored. Mr. Bok has called attention to this, and certain advertisers, notably Tiffany, make much use of it. We should not forget that there are two widely different classes of men and women whose attention is sought by advertisers. Some seek advertisements voluntarily. These people turn to them for information about the things they wish to buy. But the other class must be caught off their guard. These men are not looking for advertisements. Consequently, their attention must be held as they turn the pages of the newspaper or magazine. And for these involuntary prospects the form of the advertisement is of supreme importance. For them space—white paper—may mean more than words, certainly more than many words.

But this is not a chapter on advertising. It deals with something that is fundamental to all business matters, namely, thinking, and the questions concerning advertising which we have cited show certain facts which should be emphasized.

First of all, thinking starts with a problem—a business proposition, for example—which must be settled. And it is important to observe in this connection that problems do not reveal themselves. The ability to see problems is as much of an acquisition as the power to decide them after they are discovered. We have used advertising problems as illustrations, but the range of troublesome questions which must be settled is as wide as business itself. Meeting the new conditions that arise comes in here. No business is static. Everything is in motion. Social and commercial changes bring new business conditions, and the man who sees these problems is the one who forges ahead. If there were no difficulties, there would be no thinking. So long as our automobile runs smoothly we are not concerned about its mechanism. But let it sud-

denly stop one hundred miles from a garage, and we are greatly interested in the cause of the trouble. In this case the problem is forced upon us. If we are not to spend the night out, we must find the reason for the trouble and remedy it. But problems are too modest and reserved to force themselves upon us. They reveal their presence only when they are sought. Indeed, problems are usually disguised by a mass of details that have no bearing on the question at issue. One or two illustrations will show how true this is.

For years malaria was thought to be caused by gaseous emanation from marshy ground, but now, as the result of scientific investigation, we know that it is caused by one of the 400 or more species of mosquitoes. The importance of this discovery is seen from the fact that in a town of 10,000 inhabitants on the Suez Canal 2,500 cases were reported at one time, and more than 2,000 were annually under treatment. So devastating was the disease that whole towns fell into ruin. It was a tremendously important problem, which Donald Ross undertook to solve. And the difficulty of its solution is seen when we recall that only the female of one of the 400 species of mosquitoes carries the malaria parasites. But how are the germs injected into man? Here, again, the marvelous skill of science in eliminating and rejecting unessential factors is seen, since Ross found that the spores of the parasites are not in the intestines of the mosquito, as might be thought, but in the salivary gland. "The exact route of this great disease, which annually slays its millions of human beings and keeps whole continents in darkness, was revealed. These minute spores enter the salivary gland of the mosquito and pass with its poisonous saliva into the blood of men. Never in our dreams had we imagined so wonderful a tale as this."<sup>1</sup>

The discovery of insulin by which diabetes is held in

<sup>1</sup> Donald Ross, *Jour. Roy. Army Med. Corps*, vol. IV, p. 551.

leash is quite as fascinating as is the story of the malarial cure. If Banting was not obliged to convict the female of one of 400 species of mosquitoes his task was no less difficult because, while removal of the pancreas had long been known to produce diabetes, treatment with the pancreatic juice did not cure the disease which extirpation of the pancreas had caused. Evidently there was something in the pancreas which had been overlooked—something that performed another function than that of the pancreatic juice. Briefly, there were small glands which, because of their isolation, were called “islands” and, after the man who discovered them, the “islands of Langerhans.” These glands, which secrete insulin, are so small and so tangled up with the larger and more numerous parts of the pancreas that they had never been separated from the mass, though the attempt had many times been made. Banting’s problem was to get rid of the pancreas in some way without injuring these “islands,” and then to extract their secretion and test its effect upon those afflicted with diabetes.

Here, then, was a preliminary difficulty which must be met before the main question could be answered. The perplexities of the problem seemed almost insurmountable. All previous efforts to separate the glands from the pancreas had failed. But Banting knew that when an organ is prevented from functioning it wastes away. Consequently, he tied the duct that leads from the pancreas, and in this way prevented the organ from performing its normal duties. It could not dispose of the manufactured product and, therefore, was compelled to close its factory. In this way Banting caused a degenerative process to begin which destroyed everything except the islands of Langerhans. These glands were now at the doctor’s service for the experiment which has become so famous.

We are not writing on preventive medicine. It is with

thinking that we are concerned, and especially with thinking as a business asset. But, in order to illustrate the method of thinking, it is necessary to use problems that have been worked out in a scientific way. When we observe how scientists approach and attack a perplexing question we see the steps that must be followed to get valid results. And the same plan of approach and attack can be used in business. Indeed, it must be used if the conclusions are to be dependable. This may be shown by an example taken from *Sales Management*.

In starting to market a fountain pen one of the first problems that presented itself was the best form for the new pen. "To answer this question," Mr. Mosely tells us,<sup>1</sup> "an analysis was made of the styles of fountain pens throughout the United States, and the style and weight preferred by 75 per cent of the people were ascertained." Then, later, "extensive tests were carried on in business schools to find out how many words on the average the pen would write," without the insertion of a new cartridge.

Again, the managers of a long chain of restaurants do not locate a new restaurant without first counting the number of men and women who pass the locations under consideration at the hours when the manager would hope to feed hungry people. If such investigations were more common, fewer restaurants would open and close within a few months, and the author, in his unofficial inspection of business methods, would not observe so many instances of unthoughtful risks of money. But the writer's observations have not been limited to restaurants. He has seen stores of great variety open in localities where only unreflective optimism could hope for trade. And, after a few months of struggle against the inevitable, the owners have lost the greater part of their investment. Some of these men who have sufficient capital move to other localities, probably with quite as little thoughtful planning for the

<sup>1</sup> *Sales Management*, vol. VI, p. 173. Article by James M. Mosely.

outcome; the others give it up and start life over at the foot of the ladder. Evidently, thinking is worth consideration by business men.

Remembering the illustrations which we have given, let us examine the thinking process a little more carefully. As we have indicated, if everything goes smoothly there is no need for reflection, and, since thinking is not usually one of the joys of life for the uninitiated, one will not ordinarily indulge in it unless an emergency arises. No one wants to go to unnecessary trouble, and thinking requires effort.

It should be emphasized again that problems do not reveal themselves. Seeing difficulties presupposes special ability and training. Problems pass over the heads of those who have not been trained to see them. One of the officers of the squadron of torpedo-boat destroyers that ran onto the rocks on the Pacific coast off Arguello Light, September, 1923, with the loss of twenty-three sailors and seven destroyers, admitted an "error in judgment." In later conversation he is reported to have made the following illuminating statement: "The ordinary course of events does not test a man's ability and efficiency. Any man of fairly good attainments can meet the usual conditions of his vocation, but the real test comes when emergencies arise." In other words, emergencies are problems which must first be seen and then solved. To the credit of this officer he frankly admitted that he did not comprehend the problems which the unusual situation put before him for solution.

But how is one to be trained in seeing problems? Probably the best way is to question oneself frequently. A few questions will show the effectiveness of this method of self-examination. "What is the essential factor in this plan which I am thinking of putting into operation?" If it is the location of a new store, "from what class of people must I draw my trade?" And then, "do enough people of

the sort who will buy my goods live conveniently near the locality under consideration?" If it is a new article that is to be marketed, "will the inhabitants of the territory appreciate the product which I wish to sell to the merchants from whom they buy?" And, again, "can these people afford to pay the price?" A retailer may be "sold" once, but ever after he will be suspicious of the firm that loaded his shelves with unsaleable goods.

Clearly, to succeed in business or in anything else, one must get in training to see problems quite as surely as one needs training to understand football manœuvres, if one is to win success on the athletic field. The athlete is trained not merely in his muscles and endurance, but also in quickly catching the meaning of the plays of the opposing side. Ability to see problems is special and specific. No one discerns problems equally well in different lines. Capacity to comprehend a subject involves getting its meaning; and understanding meaning requires, first, knowledge of all the details of the subject and, second, facility in interpreting these details in their relation to one another and to the total situation. Most business men may be assumed to have knowledge of the details of their business, but many fail to think out the bearings of these factors upon one another. The sales have dropped unexpectedly: what is the cause? The simplest way of meeting the difficulty is to "call the salesmen onto the carpet" and tell them to get busy; but the cause of the trouble may be in the manager's office. The general morale of the force may be low, and when morale is wanting, the cause should be sought in the "High Command."

"The old woman" is the name that the salesmen and other employees have given to their manager in one company with which the writer is familiar. This concern has a wide reputation inherited from the founders, but lately things have not been going well. Sales have diminished and the overhead expenses have increased alarmingly. The

manager was appointed because he was a friend of the family of the founder. The capable salesmen, discouraged by the inefficiency that permeates the whole establishment, have gone to other firms, and the directors are wondering about the cause of the decrease in business. They have not yet discovered that the morale of the employees is thoroughly disrupted because they have no confidence in their manager. He has no comprehensive plan of action, no vision that includes the whole situation.

It was this lack of vision—inability to see all of the military possibilities—that prolonged the World War, with the consequent waste of life and money. A brief sketch of the military situation will show that the War Council of the allies and the military leaders, with their eyes fastened upon the western front, failed to see the war as a whole. They were unable to discern the possibility of separating Turkey from her source of supplies and, consequently, of putting her out of the game and preventing Bulgaria from joining the enemy.

The report of the Dardanelles Commission shows that certain members of the War Council clearly appreciated the important results that would follow a successful attack upon the Straits. We now know that at the beginning of the venture, Lord Kitchener, Sir Edward Grey, and Mr. Balfour were agreed upon certain outstanding advantages of this venture.

Success at the Dardanelles would have split the Turkish army, given the allies access to the Russian wheat-fields, put them in control of Constantinople, and, finally, it would have settled the attitude of Bulgaria and the other Balkan states. The ships that were to be risked had been condemned before the war began. Consequently the strength of the British navy would not have been depleted. Lord Kitchener, at a meeting of the Council, agreed to send the crack twenty-ninth division to support the naval attack. Three days after, however, he decided not

to despatch this division. Then, again, later he was ready to send quite an army. This vacillation was one of the causes of the failure of the enterprise, since the navy, having decided to force the Straits alone, was now compelled to change its plans.

Before the change of plans was forced upon the admiralty, the success of the naval attack upon the outer forts had electrified the allies and dumfounded the enemy. "Turkish Headquarters," General Liman von Sanders has said, "expected the hostile fleet to break through." So convinced were the Turks of the success of the operations that arrangements were made for the flight of the Sultan into the interior of Asia Minor. Greece offered to send an army, but, at the last moment Russia, ignorant of the threatening cataclysm, refused her offer, and thus dug the grave into which her dynasty finally fell.

Vacillation shattered the War Council's decisions. Vice-Admiral Carden, who favored the advance of the ships, fell sick, and his successor, Admiral de Robeck, who first agreed with the plans, began to show signs of nervous anxiety. He would not move until all of the troops were at hand. This indecision raised an insurmountable "mental barrier" in the councils of the allies. After the victorious assault of March 18, the Turks had only ammunition enough for a short defense. But the mental barrier held the irresistible fleet of the allies in leash.

"If the English had had the courage to rush ships through the Dardanelles," said Enver Pasha later, "they could have captured Constantinople; but their delay enabled us to fortify the Peninsula." And the reports of other Turkish officers justify his view. Before the plans were definitely abandoned, Admiral Wemyss and Commodore Keyes, both on the ground, begged to be allowed to push on to success. "The navy is prepared to force the Straits and control them for an indefinite period, cutting off all Turkish supplies," telegraphed Admiral Wemyss, as

late as December 8 but the mental obstructions could not be overcome.

The Gallipoli expedition never had a fair chance, because, after it was decided upon, the lines of least resistance were followed instead of pushing the attack vigorously. Whatever criticism may be made of it, the attack on the Straits was at least a strategic plan with a definite and far-reaching purpose underlying it; and it was the only crushing strategic effort undertaken by the allies during the entire war. A "war of exhaustion" is a planless war. And that is the way in which future critics will characterize the operations of the allies. Through all those dreary years the only instance of a constructive plan was the product of the creative imagination of a civilian working with military problems. The Gallipoli expedition was a magnificent conception and it failed because the military and naval leaders were not big enough to grasp its meaning.

It may be thought to be a far cry from the psychology of business to the Dardanelles campaign, but it should not be forgotten that we are talking about thinking. Many think fairly straight within a limited range, but they fail finally because they are mentally myopic. Not being able to get a clear vision into the distance, they keep their eyes and attention fixed upon troubles close at hand, and thus fail to see the larger aspects of their problems. Such men may be good business tacticians, but they never rise to the level of great strategists. And there are many business men of this sort. They lack the ability to plan a campaign that will include all of the various events or circumstances which bear upon the problem.

A military commander whose vision is restricted to his field of operations may be a good field commander, but he will never become a successful generalissimo. And a business man who always looks at pressing problems does not see very far into the future, because the future includes the events indicated by conditions which are not yet definite

enough to be seen and understood by those who are merely business tacticians. Many presidents of corporations and executives limit their reading and thinking to the problems that are brought to their desk. They are like Kitchener who had only lucid moments when he saw the war as a whole, or, again, like some of the generals on the western front who could not grasp the importance to their own operations of putting Turkey out of the war by one stupendous attack upon her throat at the Dardanelles. Thus, it is seen that military and naval illustrations have a bearing upon business, since they show the human tendency to restrict one's vision to the immediate field of operations instead of viewing the larger aspects of the work in which one is engaged. But let us draw some illustrations from business.

A survey of industry made by a committee of the American Engineering Council reported a waste of 28 per cent in the metal and trades industry, 40 per cent in the manufacture of boots and shoes, 49 per cent in the textile industry, 57 per cent in printing, and 64 per cent in the manufacture of men's ready-made clothing. "A manufacturer of men's felt hats analyzed his sales and found that 90 per cent of his business in the 3,684 styles and colors which he was making, was in seven styles and ten colors."<sup>1</sup> Not long ago a shoe manufacturer was making three grades and 2,500 styles of each. He simplified his line to one grade and 100 styles. This 99 per cent elimination of varieties reduced production cost 31 per cent, overhead 28 per cent, inventories 26 per cent, and cost to consumer 27 per cent.<sup>2</sup>

Secretary Hoover, addressing the National Distribution Conference of the United States Chamber of Commerce, and referring to economic waste, said: "I am disposed to agree with a recent report of the Engineering Council that

<sup>1</sup> *Elimination of Waste*, United States Department of Commerce, 1924.

<sup>2</sup> *Ibid.*

it amounts in many lines to 25 or 30 per cent of the cost paid by the consumer or producer of raw material."

R. M. Hudson, Chief of the Division of Simplified Practice, in a letter to the present writer, says: "One report shows that the waste in six of our leading industries is approximately 50 per cent of the time, energy, labor, material, etc., expended in their production." And in an address before the Philadelphia Purchasing Agents Association, Mr. Hudson adds the following severe arraignment of the thinking of business men. "Applying the average of 50 per cent as a waste factor to our \$60,000,000,000 annual production of manufactured goods, we have an annual wastage of \$30,000,000,000."

There are many striking historical instances of the inability of intelligent men to read the signs of the times. When Morse, for example, asked Congress for an appropriation to enable him to construct an experimental telegraphic line between Washington and Baltimore that he might prove the value of his invention, the proposal was ridiculed. When the telegraph was exhibited in New York, no one was interested. It was regarded as "a scientific toy." Congressmen feared lest their reputations would be ruined if they had anything to do with such a "cracked-brained fellow." One representative was willing to grant the appropriation of \$30,000 provided the money was divided between experiments on the electromagnetic telegraph and mesmerism, the latter experiments to be under the direction of the secretary of the treasury. Finally, however, in spite of this ridicule, the appropriation was passed by a bare majority, and consequently, we have our telegraphic lines covering the country.

Failure to see the meaning of events has been so conspicuous in business men who pride themselves on being "hard-headed practical men" that the writer may be pardoned for giving one or two additional illustrations. After Secretary Seward had completed his plans for the purchase

of Alaska at a mere pittance—the price was a little over \$7,000,000—and the matter was brought before the Senate, the business men of the country screamed in hysterical protest. “What do we want of a frozen country occupied by Eskimos, polar bears, and glaciers,” was shouted at the meetings of what, in those days, corresponded to our present chambers of commerce. “Seward’s Folly” was a favorite expression of the practical business men when they referred to this latest and most ridiculous visionary project of a “theorist.” Alaska is only “a sucked orange,” “it contains nothing of value but fur-bearing animals, most of which have been killed,” cried the New York press, voicing the view of “practical men.” Senators who had vision enough to see into the future were called “Eskimo Senators,” and the opposition laughingly called Alaska “Seward’s Desert.” These arguments would probably have prevented the purchase had the Senate not wished to keep Russia good-natured so that she would not countenance European intervention in favor of the Confederacy, and if the purchase price had not been a bargain-counter sale.

After the fall of Quebec in 1759, to give another illustration, England possessed Canada and the island of Guadeloupe as spoils of her long exhausting war with France. One or the other, it was generally admitted, should be returned to France, but the “practical” and anti-theoretical arguments were rampant. The sugar crop of Guadeloupe, its trade, its fertility, and excellent harborage, were all on the side of the “practical view.” If we may be permitted to translate these arguments into modern form, they would run something like this: “Besides the trade in sugar, the planters of Guadeloupe will come to England to spend the money which we pay for their sugar. All of their association meetings and conventions will be held in England, and thus we will get back most of the money that we pay for their sugar.”

Other “weighty” arguments were offered in an anony-

mous pamphlet by a very "practical" writer. "The island can never revolt, but, if we acquire Canada, we shall soon find North America itself too powerful and too populous to be governed by us at a distance." It is quite possible that the "practical" argument would have won had not a theorist, B. Franklin by name, answered them with a powerfully written pamphlet in which he showed how unpractical practical men may be. It seems strange at this time that there could have been any doubt about the comparative value of Canada and the obscure island of Guadeloupe which few men to-day can even locate. But such is the capability of intelligent men to envisage and understand the future.

We have been considering some of the obstructions that prevent us from seeing problems. Evidently, discovering them is not easy even when they are directly in front of us. Our mental vision is clouded by traditional and conventional ideas through which we cannot see clearly. Habits of thought, some of which spring from tradition and convention while others have their origin in mental inertia, blind us to the meaning of events. But there is also another human characteristic which interferes with thinking, and that is the subtle power of meaningless words and phrases.

"I suppose that is what made the word the weapon," says Alexander Black in *The Great Desire*. This is "why we look out upon life through bars of words, why we trim and shuffle to escape skulking words, words lying in wait to devour our peace. Men are thrown into frightful convulsions by a hurled syllable." Arnold Bennett, again, in his *Clayhanger*, has recalled the commotion raised by the phrase "freethinker," as applied to Charles Bradlaugh when he was a candidate for the House of Commons. Just what freethinking meant no one knew, but "it was not easy—at any rate it was not easy in the Five Towns—for a timid man in reply to the question, 'Are you in favor of

a professed Freethinker sitting in the House of Commons?' to reply, 'Yes, I am.'" And "there was something shameless in that word 'professed.' If the Freethinker had been ashamed of his freethinking, if he had sought to conceal his meaning in phrases—the implication was that the case might not have been so bad."

A few illustrations of phrases which by their obscurity imply either wisdom or condemnation, will show the subtle influence of such words. Let us begin with some words of wisdom. "Astral" and "etheric bodies," "psychic arch," "odhic effluvia," "radiant aura," "odylic force," "soul stuff," "brain waves," "luminous radiance," and "evil elemental" are sufficiently meaningless to have any amount of wisdom wrapped up in their obscurity. And one or another of them is frequently found in the press reports of spiritistic manifestations. We are calmly told in one book of wide circulation that "the Unseen is the real." Naturally, since it is invisible no one can prove its unreality.

These are samples of words and phrases which make a noise like wisdom. But let us now recall a few words in rather common use that imply condemnation, or at any rate lack of esteem. "Socialist," "anarchist," "bolshevik," and "walking delegate" are frequently used, though if the speaker were asked for a definition he would often be greatly puzzled by the request. A "walking delegate" gives quite a different implication from "business agent," which happens to be the function of a walking delegate. "Personal liberty" and "freedom of speech" also have great attraction for those who want to do or say something contrary to the accepted code of others. In this case the point of view determines whether personal liberty and freedom of speech are being assailed. Fog words of one sort or another are likely to obscure our mental vision and blind us to the meaning of events.

We shall find in the following chapter that men learn **only** the views of their own class. A spiritist, through close

association with believers, will absorb their doctrines until "odoric effluvia" exude from his very pores. "Etheric bodies" will hover around him; he will see "radiant aura" and "psychic arches," and he will be convinced that brain waves are passing between his cerebral cortex and that of any object to which his credulity ascribes psychic qualities.

The intercourse of business men is also limited to their class. They do not mingle with workmen, and the result is that they hear only one side of many questions. Consequently, in the discussion of the relation between labor and capital phrases become stereotyped. A large part of the industrial misunderstanding may be traced to the fog words, repeated so many times in the meetings of boards and associations that business men finally feel that they see meaning in them.

Perhaps the suppression of thinking by vague phrases will be more readily admitted if we close with illustrations from a social group which business men are quite willing to admit do not think. "The interests," "the big cinch," "the privileged class," and the "moneyed interests," are phrases that business men at least are quite ready to consider obscure and meaningless. But without admitting or denying the justice of their claim the writer would urge them not to fall into the rather common error of assuming that they themselves are free from this human tendency to substitute vague phrases for thinking. It is easy to see the curious peculiarities of others, but the wise man asks himself whether the characteristics that he observes in others may not be noticed in himself. An excellent method of studying oneself is to observe the strange actions of our acquaintances and friends. They, at least, show all of the weaknesses of human nature. We have discovered this and laughed about it many times with others. But how about ourselves?

We have said that thinking is not a spontaneous process—that it does not result from a mere succession of ideas.

Ideas may follow one another, but they may be too vague to produce intelligible results. They may, again, be reasonably clear and even related to one another, yet there may be no thinking. Thinking is seeing relations between facts or events, not imaginary, traditional, or conventional relations, but real ones. And the relations which we see must lead to decisions. When we think, we are continually advancing in our conclusions, and changing our opinions. This is a test of thinking, because, if we continue to hold the same views either we are not thinking, or else we are omniscient; for new knowledge, if understood, must change one's opinions. And this failure to see false relations is an obstruction to thinking. Man is not averse to getting knowledge provided it does not conflict with the ideas which he holds, but he seriously objects to altering his views. He wants to progress, but he wishes to do so without changing his beliefs. This unwillingness to alter one's opinion, however, is not a conscious mental attitude. It is rather an unconscious mental "set."

The difficulty of working against one's mental bias is admirably illustrated by the early discoveries in aeronautics. "After the Wright brothers made their first flight on December 17, 1903, and for five years after, few people believed that an airplane could actually fly. Some admitted that it could rise like a skipping-stone, but would be unable to turn in the air. . . . Those who expressed the possibility of equipping airplanes with two or more motors were considered visionary, and again mathematical computations were presented to show, first, that a machine equipped with two motors would be unable to lift its own weight, and, second, that if one motor stopped, the other would make the machine spin around and, presumably, disaster would follow."<sup>1</sup>

This example is the more convincing because the conclusions were based upon mathematics—a supposedly exact

<sup>1</sup> *American Machinist*, by Henry Woodhouse, October 31, 1918.

science. The explanation, however, is to be found in the human mind. No science, not even mathematics, is proof against human bias. The mathematical conclusions were reached because the mathematicians could not see and understand certain mathematical principles that conflicted with their preconceptions. And in matters less capable of demonstration than mathematics, the influence of the mental set is more powerful and subtle. Any business man who will take the trouble to survey in retrospect the history of business during his lifetime, will recall many time-saving devices now in common use which were vigorously opposed. Comptometers, adding-machines, billing-machines, loose-leaf ledgers, voucher checks, and card systems of inventorying which make data of stock on hand immediately accessible, are illustrations. These devices and many more received scant favor when first proposed because of the mental "set" of business men.

Franklin K. Lane, former secretary of commerce, has expressed his views on human inertia as he observed it during the war. "We do things fast here," he says in one of his *Letters*,<sup>1</sup> "but I never realized before how slow we are getting started. It takes a long time for us to get a new stride. I did not think that this was true industrially. . . . In my department, I figure that it takes about seven years for the nerve of initiative, and the nerve of imagination to atrophy; and so, perhaps, it is in other departments."

Seven years of initiative and imagination! After that slowing up, slipping, and then mental fossilization! It isn't a pleasant prospect, is it? But what is the explanation? It is unconscious adaptation to the conditions of one's work—relaxation on the luxurious couch of conformity, adjustment to the insistent demands of one's position, but no expenditure of effort beyond relentless requirements.

A few years ago, the ledger of a large department store in

<sup>1</sup> Edited by Anne W. Lane and Louise H. Wall. (Houghton Mifflin.)

a Western city showed a balance on the wrong side. So evident was it that the store was not keeping pace with business changes, that an unusually successful manager was called from the East and put in charge. And now an interesting exhibition of adaptation was observed by those interested in the psychological aspect of business. The new manager had adapted himself so perfectly to the Eastern conditions of department-store management that he could not readapt himself to Western ways. Under his direction this department store struggled against psychological barriers for a year, but, finally, the owners decided that it would be economy to pay \$60,000 to annul the contract of the manager who was distinguished among Eastern business men. The trouble with him was, to quote Secretary Lane's words, that his nerve of initiative and nerve of imagination had atrophied.

In another case brought to the writer's attention, a manager of a large furniture house tried to adapt himself to new conditions while at the same time retaining the old ways which had built up a successful business with people who like to make a small deposit and pay the balance with monthly instalments. This establishment had moved from a street devoted exclusively to cheap, instalment-plan goods, to one of the best locations in St. Louis. The firm did not wish to lose its old customers and, at the same time, the manager wanted to build up a new and better class of trade. But neither the old nor the new customers were happy. The former missed the conditions to which they had adapted themselves, and the management could not make the better class of trade feel at home. It was impossible for the firm to run two sets of adaptations side by side. The salesmen were unable to shift their gears for the varying adaptations, and neither class of customers found things to their liking. The conditions to which each was adapted were lacking. And, consequently, after a vain attempt to adjust itself to two opposing sets of conditions,

the firm moved back to its old location and to the trade situation to which it had originally adapted itself.

Another case of adaptation was recently brought to the writer's attention. One of the best-known makers of high-grade pianos decided to increase business by manufacturing a cheaper instrument in addition to the high-grade pianos. The regular employees of the firm were to do both classes of work. Soon, however, it was found that the workmen who had been giving the time and attention needed for superior instruments could not change their methods on demand. They were as careful and accurate with the cheaper pianos as with the expensive ones, and consequently the labor was not reduced. Finally, the workmen revolted. They refused to work on the cheap pianos because, as they said, they could not do a poor grade of work. Their habits of accuracy, time, and attention were unalterably fixed. They could not readapt themselves to the new demands.

We have been considering that phase of thinking which is concerned with seeing situations and events in their larger aspects. One of the difficulties in thinking is that certain features of a problem tend to dominate our consciousness to the exclusion of other characteristics which are of equal or greater importance. And this tendency to fix attention on certain features prevents us from viewing the problem as a whole. No question of great significance is adequately described by any one of its factors. Business problems, like all matters of life, are exceedingly complex. They all have many elements, each of which is of importance, not by itself but in relation to the other factors.

The apparently simple matter of business correspondence is an illustration. Every letter that a business house sends out is an advertisement, good or bad, and the present writer is of the opinion that a large proportion of these letters are bad advertising. He has before him a letter written by the manager of the home office of a large automobile manu-

facturer, in reply to a definite question which could and should have been answered in half a typewritten page. Yet this manager wandered around over four pages, and only one sentence in the entire letter dealt definitely with the question at issue. And this sentence was so tangled in verbiage that it was not easy to discover whether the question had been answered.

Thinking is selecting the essential factor or factors in a matter up for decision, and seeing the relation of these factors to one another as well as their meaning for the problem in hand. "No stenographer is worth more than twenty dollars a week," the manager of a large corporation recently said to the writer. Such a manager thinks only in terms of the weekly wage for which stenographers may be obtained and not in terms of what a high-grade stenographer may do. As a result of this limited view, this high-priced manager was doing innumerable things which should have been done by one who was receiving a much lower salary than he. Yet we are constantly hearing that "time is money."

It would be well if a manager would occasionally figure the cost to his firm of details to which he personally attends. Many of these could be done better by a two-hundred-dollar a month stenographer or assistant, and time would then be left to the manager to do the things which would justify his salary. Failure to understand these factors in the problem—inability to get a bird's-eye view of the daily routine of his office work—shows that such a manager does not think. He sees each question that arises by itself, separated from all of the other factors to which it is related. And for this reason an eight or ten thousand dollar a year man spends much of his time attending to matters that a twenty-four hundred dollar woman could do quite as well. "You do not have leisure enough to see and understand your problems," said an efficiency expert recently to a departmental manager in a large manufacturing-plant.

This manager then admitted to the writer that his time had been too much occupied with details to which a better grade of office help might have attended. A little imagination and some real thinking would have improved his efficiency. But he had to call in an expert to show him how to use his mind.

Finding the essential factor in a situation, we have said, is the beginning of thinking. But the essential factor is rarely visible to the untrained mind. Even under the most favorable conditions, the important element is so obscured by the incidental features that it is singled out only with the greatest difficulty. "Sagacity" is the name that James gave to this ability to discover the essential attribute of a troublesome question requiring solution. Information, even knowledge, one may have in abundance, but the application of this knowledge to the problem in hand is not easy. And the failure in thinking frequently begins here.

An illustration was given to the writer a few days ago by the manager of a firm of engineers. He was speaking of one of his subordinates. "No one in our firm has better ability or more technical knowledge than this young man," the manager said. "But either he does not see the essential factor in a question under discussion, or, if he does, he cannot go straight to it in presenting his plans. After reading his written opinions we do not know what he proposes to do or how he would do it."

"Seeing the point" of a problem suggests several lines of reflection that are worth while for business men. We have said that the essential factor is not easily discovered. Indeed, ability to see through the mass of unessentials and select unerringly the vital fact distinguishes the superior man from the mediocre. Charles Darwin and Alfred Russel Wallace saw the principle of natural selection for the origin of species in Malthus's "Essay on Population," which dealt with a wholly different question. James Bradley, again, discovered the apparent variation in the position of the

stars by observing that the weather-vane at the head of the mast of his little sailboat changed its position whenever the boat tacked. And, finally, Westinghouse is said to have gotten his start in solving the perplexing riddle of air-brakes by reading an article in *The Living Age* entitled "In the Mont Cenis Tunnel." Business men who are not interested in reading anything that is not definitely related to their particular lines of business should remember this. The difference between a single-track mind and a diversified one is that the former has no outlook. For this reason it makes no discoveries either in business or in anything else.

"It is impossible," is a common expression among business men as well as others, and its use always indicates lack of the constructive imagination that is essential to thinking. The psychology of "The Impossible" has never been written, but a few illustrations will show how lightly the word is used. During the World War Admiral Jellicoe met the masters of merchant ships to consider the question of convoying them across the Atlantic.

"Would it be possible," asked the admiral, "for eight merchant ships with a speed which varied perhaps two knots, to keep in line five hundred yards apart, and sail in two columns down the channel?"<sup>1</sup>

"It would be absolutely impossible," the masters replied, almost in a chorus. Though they were quite agreed that merchant ships could not be convoyed, every one knows to-day that the difficulties were conquered when the requirements of the situation were sufficiently stringent to overcome the mental obstructions of the masters.

When Murdock, to continue our illustrations, produced illuminating gas, Sir Walter Scott joked about sending light through street pipes, and lighting London with smoke. A business man, Wollaston, said that "they might as well try to light the city with a slice of the moon."

<sup>1</sup> See *The Victory at Sea*, by Rear-Admiral William S. Sims. (Doubleday, Page & Co.)

Lord Byron, again, selected "four candidates for oblivion," as De Morgan once said with a touch of humor, "not one of whom got there."

"What varied wonders tempt us as we pass!"

exclaimed the poet, conforming to the tendency of man to resist the new:

"The cowpox, tractors, galvanism, and gas,  
In turn appear, to make the vulgar stare,  
Till the swollen bubble bursts and all is air."

But let us take an illustration from the field of business. Sea captains, novelists, and poets may be thought to be a peculiar class of people. Consequently, an instance from those who are regarded as especially "practical" will aid in establishing the universality of the human tendency of which we have been speaking.

"I recall," says Henry Ford,<sup>1</sup> "that a machine-manufacturer was once called into conference on the building of a special machine. The specifications called for an output of 200 per hour.

"'This is a mistake,' said the manufacturer. 'You mean 200 a day—no machine can be forced to 200 an hour.'

"The company officer sent for the man who had designed the machine and they called his attention to the specification. He said:

"'Yes, what about it?'

"'It can't be done,' said the manufacturer positively; 'no machine built will do that—it is out of the question.'

"'Out of the question,' exclaimed the engineer, 'if you will come down to the main floor you will see one doing it; we built one to see if it could be done, and now we want more like it.'"

<sup>1</sup> *My Life and Work*, by Henry Ford and Samuel Crowthers, p. 85. (Doubleday, Page & Co.)

This list of impossibilities which have been shown to be possible might be continued indefinitely, but these illustrations are sufficient to show how easily man lets the belief that change is impossible obstruct his thinking. Admitted ignorance is not so bad as arrogation of knowledge. Opinions that differ from ours are for that very reason thought to be wrong. But what is the explanation? Why cannot business men, for example, change their views regarding "radical" business changes? Why, for instance, did they laugh at mail-order houses when the new plan was first tried? And why do they continue to hold their antiquated notions about trade-unions and the relation between labor and capital? To answer these questions we must turn to some rather startling facts about the human mind.

The related experiences of an individual become organized into a system of ideas and beliefs which control his outlook and opinions concerning questions to which the experiences are related. Such an organized system of thoughts may be called a mental complex. The golf complex is an illustration in the field of sports. Baseball fans, again, have a baseball complex. To a "fan" everything connected with the game is absorbingly interesting. He knows the batting average of every player in the national leagues. Those not interested in baseball say that he is "crazy" about it. And he is. The chief difference between some of those in asylums and men outside is the sort of ideas about which they are crazy. One who has a fixed system of ideas on being persecuted must be confined, because his pathological mental complex may cause him to kill some one in the belief that he is protecting himself.

Mental complexes decide the course which thoughts shall take and prevent logical thinking. Arguments cannot be weighed impartially. The chief disadvantage of complexes in the ordinary affairs of life is the subtle way in which they get control of us. The individual is not aware that

he has them. He believes that he is impartial, and that he is getting an unprejudiced view of the question under discussion; but his attitude is determined by the complex which he has acquired unconsciously through association with his professional, business, or social friends.

One's friends have mental complexes. Every one knows this. We say that they are biased or prejudiced. But as for ourselves, experience and environment have so quietly and unobtrusively organized our opinions and beliefs that they seem quite clear and convincing. Self-deception in the conviction that we have generously weighed both sides of a question, and self-assurance that we are liberal and open-minded, blind us to the rigidity of our opinions. This is one of the sadly interesting facts of the human mind. Our friends do not deceive us with their assumed liberality toward new ideas, nor do we deceive them. But we deceive ourselves.

None of us can be wholly free from these mental complexes. But efficient thinking requires knowledge and observation of them in others that we may be on our guard against a like defect. Our friends are excellent material for a laboratory course in the psychology of human behavior. They have all of the faults to which man is heir, and a few besides. But, after we have laughed over their peculiar views it would be well to turn the search-light on ourselves and ask the reason for our opinions. And in the great majority of cases, if we are honest, we shall find to our surprise that we cannot justify our beliefs. We did not get these opinions by study and reflection. They got us.

The difficulty, of course, in this self-examination is that our own opinions seem so vital, so fundamental, and so true. They have been ours as long as we can remember. We absorbed them in early childhood from the scraps of conversation which we heard, because, as has already been said, our associates and friends are usually those of our own class; and those of a certain social group have essen-

tially the same ideas. This explains why we feel out of place if chance throws us among another social group. A business man, for example, would feel quite as comfortable as the proverbial fish out of water were he to spend an evening in a meeting of trade-unionists. The opinions which he would hear there would be "impossible." "Only radicals of the most extreme sort could hold them." The writer is not judging these opinions. He is interested in the psychological aspect of the situation. The views of the trade-unionists would not fit into the organized system of thought of the visitor. Yet only those ignorant of the human mind would call these trade-unionists semi-insane radicals—the label also stamped on men who discovered our present-day inventions. We have mentioned the ridicule of the telegraph, aeroplane, and gas; we have recalled the opposition to the purchase of Alaska and to the building of railroads. We could continue the list by adding Harvey, who lost his medical practice because he insisted that the blood circulates through the veins and arteries; John Fitch, who, despairing of appreciation of his steamboat, committed suicide; and, in more recent times, we find as examples the opposition to the revolutionary steam-turbine and to the internal-combustion engine. All of these cases and many others that might be given illustrate the almost insuperable difficulty of altering man's organized systems of thought.

One is reminded of Galileo's experience with the telescope which he had just invented. With it he saw the moons of Jupiter and so he called all of the prominent "business men" together to show them his discovery which contradicted the experience of men of his day. He thought that, like himself, they would be glad to hear of their mistake about the number of the planets. So the business men came, but they refused to look through his telescope for two very good reasons: "first, because Jupiter has no moons," they said. "Our experience has taught us that.

And second, if we should look through your old telescope the devil would make us see the moons even though they are not there."

The superiority complex of those in authority often explains but does not excuse this mental resistance to new ideas. The "chief of staff" does not always welcome information from his equals, but he strenuously resents it from subordinates.

So firmly established, again, is the mental complex of superiority in those who are placed over others that, as a result, executives rarely seek counsel from subordinates. Only in exceptional cases is there any systematic plan for receiving ideas from those low down the scale in business organizations. Yet Ford gives a long list of improvements made by suggestions from his workmen. And some of these changes added thousands of dollars annually to the income of his factory.

Organized systems of thought, or mental complexes, explain why bankers opposed the Federal Reserve System and why business men refused to invest money in the manufacture of automobiles when the idea was new. They did not believe that the new invention had a commercial future.

Men let their business sag and slip because they cannot bring themselves to change their old ways of doing things. And they predict the failure of those who adopt methods and plans which do not harmonize with their own fixed and petrified systems of thought. When Ford first announced that he would build a car so low in price that every man with a moderate salary could own one, practical business men said: "If Ford does that he will be out of business in six months."<sup>1</sup>

We have been trying to clarify thinking, to show the way in which it proceeds toward its goal. And, in doing this, we have found certain obstacles that interfere with

<sup>1</sup> *My Life and Work*, p. 73. (Doubleday, Page & Co.)

the movement of thought. These obstructions grow out of the nature and characteristics of the human mind. They are states or attitudes of the mind. And these mental attitudes not only influence the interpretation of facts, but, before the stage of interpretation is reached, they determine which facts shall be seen and which shall be ignored. This selective activity of the mind should be clearly understood by business men because of the wide-spread notion that one can always discern facts which are exposed to observation. Yet nothing is farther from the truth. Mental bias, by creating a belief that certain industrial or commercial innovations are impossible, prevents men from seeing facts. An excellent illustration with which all business men are familiar is the prophecy of financial depression which trade forecasters so frequently make, but which the future does not justify. The facts are there, but the forecaster does not see them. These errors are more common when one consciously, or unconsciously, wants certain things to happen.

A real-estate dealer, for instance, owns property in a locality where land is not moving. Naturally, he wishes to dispose of his holdings, and he thinks that if he owned enough to make certain improvements, the locality could be made an important business or residential centre. His wish is the father of his belief. So he throws himself into the venture, but the facts are against him though he does not see them. Consequently, after a vain struggle he loses his investment. Sometimes property-owners oppose extensive street improvements because they cannot face with unbiased mind the expense to which they will be subjected; and later those to whom they sold at a loss realize large profits because they saw the benefits that the changes would bring. Again, blind determination to cling to a certain business locality prevents men from seeing the inevitable movement away from the region to which their myopic devotion holds them fast, and only when it is too

late do they realize that facts outweigh wishes in the scale of business progress. At other times it is a salesman who is convinced that a certain manner of approach should be effective with all to whom he tries to sell, because it is the method of a master salesman whose success he fondly hopes to emulate. His belief in the wisdom of the method prevents him from seeing that imitation is a poor substitute for thinking and for realizing that each man with whom he deals is different from every other. In each case—and these are only samples—the wish alters the facts. We see them as we want them to be.

Interpretation is thus seen to depend on something besides ability unless we make this word include the power to get outside of ourselves, to be free from the peculiarities of the very inefficient organ of thinking which we call mind. Mere ability does not assure us of the power to think, because the incapable are not the only ones who fail to discover in themselves the mental weaknesses to which the human mind is heir.

Is thinking, then, a hopeless possibility for which we strive, but which we can never attain because of the obstacles that the mind itself creates? Strictly logical minds probably do not exist. Even so accurate a mathematician as Simon Newcomb proved by the most unemotional and severely logical science of which we know, namely mathematics, that heavier-than-air machines could not rise, and yet they did, notwithstanding the mathematical proof to the contrary. This mental handicap—the tendency to get notions fixed in our mind which prevent us from seeing and understanding facts—is a very real obstacle to progress in thinking. But we can do much to offset it by being keenly conscious of the human weakness. Knowledge that prejudicial mental attitudes are common, that every one including ourselves has them, will go far toward promoting straight thinking. But the tremendously important thing is to include ourselves in the list and not to fall into the

common error of assuming that we are free from the mental deviations and perversions observed in others. If we would stop at times and ask if our decision is influenced by personal interests, or wishes, a straighter course in thinking might be followed.

Most men get their interpretations of facts as they buy clothing. They take them ready-made, not even asking that they be altered. And one reason for this, as we have seen, is that they get their ideas from men who furnish only those that fit their present notions; namely, from those in their own class who keep in stock only the opinions that suit their trade. And another reason is the wishes of which we may even be unconscious.

The way in which beliefs and opinions steal in upon us while we are off our guard, and establish themselves in our minds without our knowledge that they have crept in, is thus seen to be one of the chief obstacles to thinking. All men want to advance—to keep up with the times. No business man would willingly fall behind; no one wants to see others forge ahead while he lags with the great mass of those who make up the rear-guard of comparatively inefficient men. But man imitates and accepts more readily than he investigates and draws conclusions. Thinking is not easy, nor is it pleasant until one gets the habit. Then it brings real joy, because nothing is pleasanter than discovery; but no one who was not a thinker has ever found anything new.

We hear much to-day about fundamentalism, but there are “fundamentalists” in business as well as in theology. Fundamentalists are “standpatters.” They are those who have settled upon certain antiquated notions as the fundamentals. But the instructive fact for the thoughtful is that equally intelligent and earnest men do not agree about what are the fundamentals. As soon as we have settled the question some thinker appears and knocks down the supports of our fundamental notions. The sun and

stars revolved around the earth until Copernicus destroyed the pretty illusion. All species of animals, again, were believed to have been created as we now know them, and progenitors of each species were thought to have been taken into the Ark to keep them from drowning, but the discovery of fossils destroyed this fundamental belief. Of course the new ideas did not replace the old without a terrific struggle. The "business men" of earlier days thought that such radical things as fossils would disrupt society, and so destroy their business. Consequently they joined the theologians in opposing the innovation. Fossils were easily explained, these people said. They were only models of animals upon which God practised while he was learning his trade, since at that time creation was his chief business. Alchemy, again, and transmutation of less valuable metals into gold used to be a well-established business. It was a fundamental belief at that time that elements could be changed into one another and, of course, then as now the one thing that every manufacturer wanted to produce in some way in his factory was gold. But this fundamental belief passed, and if to-day the line of separation between elements is not as sharply defined as formerly, there is still no reason for going back to the old notion of the "philosopher's stone."

So-called fundamental ideas have their day and pass. Radical notions of one period are the accepted, commonplace ideas of another. Fundamentalists in business as in politics and religion are men who are still living in the past. By failing to read the signs of approaching changes, and by following the methods of olden times on which their business was built, these men continue with their old-fashioned notions, and consequently, when the changes come, fall behind. And they lose to other men who see and interpret facts, and who are not mentally blind to the changes occurring before their eyes.

We have been considering the factors in thinking, and

we have found that it is a process which is started by a problem, such as a business question. But, as we have seen, problems do not disclose themselves. Some men see them, but others fail to discover any question of special importance.

The reason for failure to see problems we have found is not due so much to lack of intelligence as to the peculiarities of the human mind. Man likes to continue thinking as he has thought, and doing as he has done. The explanation is that it is easier. Precedents, form letters, and established methods in general require no thinking. Life runs smoothly so long as we plod along the old, finished streets that do not jar us. Thinking is like starting out over a new unpaved road. It is full of bumps, but the jolting has its compensations in the vistas that we glimpse along the way. The most striking views are not found along the macadamized roads. To see them one must strike out through unbeaten paths. And it is the same with thinking. But the mental shaking up that one gets is quite as disturbing to placid mental comfort as are the physical jolts of riding or walking along roads or trails through which one must force one's way. Pioneer thinking is never easy, but it brings results that are worth the effort. And the few illustrations that we have given show that business is not an exception in the results obtained.

The tendency to settle down into the ways and methods which have become easy through repetition, is perhaps the chief cause of failure to move on and secure the results that only the determination not to fossilize mentally can achieve. And then there is the belief that new methods are visionary and impractical. But this conviction springs from the desire to continue in the ways that give us the greatest momentary ease, to retain the methods which do not jar because they are the ones which we have followed from the first. And, as a consequence, we read from day to day that an old established business has been reorgan-

ized and absorbed by a competing firm, the managers of which had looked ahead instead of backward. Thinking is not an academic occupation. It does not characterize scientific work alone. It is an asset for business men.

## CHAPTER VIII

### THE PSYCHOLOGY OF MANAGING MEN

"IN proportion as power has come to me in life," wrote Charles G. Dawes in *A Journal of the Great War*, "I have sought to avoid its ruthless use. Its exercise is no less effective—indeed, I have found it much more effective—when with it is exhibited patience, reason, and moderation."

This bit of testimony from Mr. Dawes is the more significant because no one who recalls his language before the Congressional Committee investigating war expenditures will be inclined to call him sentimental. In answering the questions of the committee he displayed the choicest stock of verbal explosives that has been exhibited to the American public since the passing of Mark Twain. Mr. Dawes is a business man, and his position during the World War was a business job. He was the manager of a large number of men, and he directed the purchase of more goods than any other business man has had to supervise in the history of the world. His opinion is, therefore, worthy of consideration and, consequently, a further quotation may be pardoned.

"Real power," continues Mr. Dawes,<sup>1</sup> "should be camouflaged by a wise man as is a heavy cannon. To expose it unnecessarily is only to attract hostile artillery. . . . Only where power becomes so great that the unmasking of it demonstrates the futility of any attempt to oppose it, is it safe to depart from this principle. Even then, though it be safe, it is not wise. Vanity is often the assassin of a useful career."

If we seek an explanation for the frequent failure of men

<sup>1</sup> *A Journal of the Great War*, p. 119. (Houghton Mifflin.)

to handle subordinates successfully, several reasons immediately become apparent. First of all, perhaps, we should mention the rather general inability of men to understand human nature. It matters little whether that human nature is one's own or some one else's, for it is equally inscrutable without psychological knowledge. Secondly, man is exceedingly solicitous about his dignity. He is fearful lest his authority will not be recognized. Thirdly, as soon as a man is promoted out of his class or group, he at once assumes that he has shed all of the human frailties peculiar to the members of the class which he has just left. The psychological metamorphosis which rapid advancement produces in men is one of the wonders of human psychology. Fourthly, a weak man in a position of authority fears lest he may not be appreciated. For this reason he is afraid to have strong men under him. And finally, such a man is unwilling to hear criticisms of himself. Let us consider these human characteristics somewhat in detail.

The difficulty of understanding men has its source in their complex nature. If they always acted from one motive, interpretation of their behavior would be comparatively easy. But man's actions are due to many causes, some of which are not clear to the individuals themselves. Every one is made up of a large variety of qualities. Hopes, aspirations, good intentions, doubts, suspicions, and prejudices predominate in varying degrees. Facts are perverted, usually unintentionally, and reason plays only a small part in the general outcome.

One cause of misunderstanding human nature is that the interests of others seem so frequently to conflict with ours. We forget that the same instincts of self-preservation and self-respect which operate in us are equally strong in those under us. Subordinates, whether on a salary or daily wage, object to being regarded as tools or as a commodity. Would you feel differently were you in their place? Tools are implements with which one earns a living, or builds a fortune.

They have no feelings or rights. They are to be used for our purposes alone. And commodities are to be bought and sold at the market price. If we can buy them low and sell them high, we have done a good stroke of business, and no objections can be raised unless we take an unfair advantage of the necessity of others, and run counter to the human code of fair play and a square deal. But human beings object to being used as "things" for our advancement, or of being bought and sold. "The trouble with the average employer," says Robert B. Wolf in his *Creative Workmen*, "is that he has been so engrossed in the task of creating an efficient organization to express his *own* individuality that he has entirely overlooked the fact that in the creation of this thing he has forgotten to extend the same privilege to his employees." Mr. Wolf is not a theorist. He has been the successful manager of big organizations. We may, therefore, with the permission of the reader, quote further from his published address before "The Technical Association of the Pulp and Paper Industry." "The idea," he continues, "that one man can arbitrarily dominate an organization and drive it as he wills, is fast giving place to the saner conception that the manager must lead and not drive, and he is successful in proportion as he encourages those intrusted to his charge to work out things for themselves. . . . Efficiency, it seems to me, has too often been made an end in itself to be attained at all costs regardless of individual well-being." This is sound psychology, since it recognizes the suppressed or expressed wish of each individual to have a hand in working out his own salvation, instead of being used as an inanimate tool to accomplish the desires of an autocratic master.

General Lee's military success was due in no small measure to his almost unrivalled understanding and tact in managing men. He did not use them as human tools. He worked with his subordinate officers rather than over

them. "He consulted them," says Gamaliel Bradford in the *New York Times Book Review*, "deferred to them, asked their opinions and often modified his accordingly. . . . With the common soldiers he was also tactful, and they loved him. . . . The secret was that he treated them as men, not as machines. . . . Therefore, when there was a supreme effort to be made and he called for it, they did not fail him."

Another cause of misunderstanding and trouble is that the intercourse of men is so largely confined to members of the class to which they belong. Their information comes almost wholly from this prejudiced source. Managers and presidents of business corporations hold their meetings for the discussion of their troubles, but they rarely meet their workmen except under the compulsion of a strike. Accordingly, they hear from their associates what they believe the workmen should think and how they should feel, instead of learning their actual thoughts and emotions. A good example is furnished by the sudden and unforeseen outbreak of the Russian revolution. The officials of the Russian Government and our own ambassador were not expecting it because they had no contact with the common people. Consequently, the revolution struck them with the suddenness of an avalanche.

An additional difficulty in understanding human nature is that the manager of a large business is a long way off from his workmen, and their moods do not reveal themselves at such long range. The points of contact with the rank and file are blunted and impaired by the variable temperaments and nature of the intermediate men who too often are the only connection between the manager and those who do the lower grades of work. Therefore, until the explosion comes, the executive knows nothing of the seething feelings and emotions of those who make or sell his goods. In the factory this explosion may be an unexpected strike, but in other lines of business the dis-

integration is slower and more subtle, gradually disclosing itself in inefficiency, in loss of the firm's good-will because of discontented salesmen, and in an inexplicable transformation of profits into loss.

The factory of one company, so large that its name and business extend throughout the country, was honeycombed with inefficiency at the time when the writer heard the following story. The informant was a man who was carrying out research work in the factory, and, consequently, was an unprejudiced observer. As he told the story, the workmen loafed whenever they were not watched, and the reason which he gave was the coarse domination of the chief shop-foreman. "Get to work there; what are you doing?" was the usual form of his admonition. The result was that the workmen hated him and enjoyed opportunities of leisure as chance offered, much as children do with an unpopular teacher. The morale of the factory was thoroughly destroyed.

The writer is aware that managers have many things to which they must give attention. But their first business is to be considerate of their workmen and their sales or office force. An executive who keeps his nose over his desk is just a common workman and not a manager.

Admission of inability to keep track of one's employees is a confession of failure in management. Keeping track of subordinates, however, means much more than watching their output or sales. It includes the human side of management, which is a large part of the work of an efficient manager. Do you say that a manager has no time for these matters, or do you think them unimportant? Then study Roosevelt's work as president of the Board of Police Commissioners of New York City. He was conducting a big business. He had more men under him than any sales manager. Yet he found that attention to the human factors in management was good business.

When Roosevelt accepted the office of president of this

board, the entire force was corrupted. Men were obliged to pay for their appointments, and payment for protection in crime was the custom. There was no morale or efficiency anywhere in the department. Favoritism prevailed from the highest official to the lowest newly appointed policeman. The first thing that Roosevelt did was to smash the black-mailing, grafting ring, and then he gave his attention to the improvement of the morale among the men.

"When he saw in the papers one morning that Patrolman X had saved a woman from drowning, he looked him up, found that the man had been twenty-two years in the service, had saved twenty-five lives, and had never been noticed, much less thanked by the commission. More than this, he had to buy his own uniform, and as this was often rendered unfit for further use when he had rescued persons from drowning, or from a burning house, his heroism cost him much in dollars and cents. By Roosevelt's orders the department henceforth paid for new uniforms in such cases, and it awarded medals. By recognizing the good, and weeding out as fast as possible the bad members of the force, Roosevelt organized the best body of police which New York City had ever seen."<sup>1</sup> Notwithstanding the large number of men whom he was managing, Roosevelt found time to send for patrolmen who had distinguished themselves and to thank them personally for their good work.

No one is so disinterested as to be insensible to praise. If such a man existed he would be worthless in any organization. Recognition of good work not only draws out the best that is in one, but, in addition, the conviction that real efficiency receives attention in the office spreads through the force. On the other hand, nothing so surely and quickly destroys the creative emotions of individuals which, in large bodies of men constitute morale, as a management unobserving of actions that are worthy of com-

<sup>1</sup> *Theodore Roosevelt*, by William Roscoe Thayer, p. 101. (Houghton Mifflin.)

mendation. By keeping an up-to-date inventory of the worth of his subordinates, Roosevelt made allies of human aspirations in creating an efficient organization. He knew that attention to the human factors was as important as deciding matters which came to his desk. And the result was the marvellously effective police system which was one of his achievements in practical psychology.

Managers should plan their work so that good men will not be lost in the mass of mediocrity. Men of good quality sink to the average level when there is no incentive to maintain a higher grade of efficiency; water never rises above its source, and men never develop what is in them unless there is a motive for it. Let it be known that you are looking for men of ability among your employees, and you will soon find the common mass differentiating into men of varying abilities. In the army, men came to look upon the mental tests as a chance to show what they could do, to prove that they had in them the stuff of which officers are made. But there are other ways besides intelligence tests of separating ability from mediocrity; and a manager would very soon observe a differentiation of ability in his subordinates if he would but give evidence that he was looking for it and expected it. An excellent illustration of the way in which Mr. Dana, the editor of the *New York Sun*, accomplished this has been given by Chester S. Lord in the *Saturday Evening Post*.<sup>1</sup>

Mr. Dana "took personal interest in the youngsters of promise. Repeatedly he sought out or summoned a reporter to praise a bit of writing. To one he said: 'I wish I could write as well as you have written this.'

"My first interview with him gave me great pride and encouragement. . . .

"'I understand you wrote this,' Mr. Dana said, handing me a slip cut from the day's edition. 'It is very nicely

<sup>1</sup> July 30, 1921. Reprinted by permission of the *Saturday Evening Post*. Copyright, 1921, by the Curtis Publishing Company.

written, very nicely expressed. I congratulate you and I thank you for writing it for my newspaper.' . . .

"The inspiration was catching. Everybody was proud of the sheet and everybody was encouraged to be proud of his own work. If a youngster did a good bit of writing half the staff told him it was good. Office jealousies were unknown; office politics rarely existed. The team-work was splendid."

But managers cannot train subordinates to be what they themselves are not. Do you want men of imagination in your employ? Then you must let them see what imagination is by the plans which you suggest and the things which you do. Do you want salesmen of broad general information and interests? Then show these qualities in your intercourse with them. Do you want your men to reason, to discover problems and think them out? You must let them see that you know a problem when you see one. Do you want them to have intellectual curiosity? Show them that you prize this virtue so highly that you have obtained it for your own.

After all, the manager is responsible for the work of which he has charge and some way must be found to shorten his connection with the rank and file of the men under him. His personality and ideals should pass over the circuit to the lowest subordinate. And, above all, the current of feelings, emotions, and thoughts must flow from his men to him. He should know what they are thinking and how they are feeling, both with regard to the work that they are doing and about himself. This is one of the problems of the military commander with his enormous army of to-day, and it is the problem of the business manager with his hundred or more subordinates in the factory or out on the road selling his goods.

That was a delicious psychological tidbit which Captain Marryat, some years ago, gave to his hoard of readers, a morsel that should be well chewed by managers of men.

"Whether we act in a body or individually," he said, "such is the infirmity and selfishness of human nature, that we often surrender to importunity that which we refuse to the dictates of gratitude—yielding, for our comfort, to the demands of turbulence, while quiet, unpretending merit is overlooked, until, roused by neglect, it demands as a right what policy alone should have granted."

Secondly, as we have said, man is afraid that his authority will not be recognized. He is solicitous about his dignity. Man easily becomes intoxicated with power. It goes to his head. Appreciation of the good judgment of those who in their wisdom chose him for their manager is written all over the face of some men whose selection perhaps was due to social prestige or to seniority.

Then, too, one in a position of authority does not like to admit that he has made a mistake. This is particularly true of those who have the appearance of greatness, but lack its elements. Such men have a submerged feeling of inadequacy. They do not admit their inability even to themselves, but they are always playing safe, always protecting themselves, always camouflaging with protective coloration.

Consequently, when anything goes wrong these men blame some subordinate. This is one phase of their protective behavior. To admit that they were at fault would indicate that they were fallible, and a weak man fears to make this admission. Such a manager gets the reputation among his subordinates of shirking responsibility, of pretending wisdom that he does not possess. Finally, as a result, he loses the respect of those under him.

The truth in the saying that no man is great to his valet is not due so much to the mistakes which men make as to the attempts to conceal them. No one, not even a valet, expects a man to be faultless. But the assumption that others do not see these errors is amusing, and humor, under such conditions, leads quickly to ridicule.

A real executive readily assumes responsibility for errors;

he is not afraid that his dignity will suffer, and his frankness takes the sting out of the mistakes. Indeed, admission of error strengthens a man of ability. At the worst, it shows that one is not fearful of the consequences to himself, and that indicates the right sort of confidence in oneself. At its best, again, the admission proves that one can see one's own errors, to which weak men are blind; and it indicates that one can learn by experience, which is a virtue found only in rare men.

A mistaken notion of dignity, we have said, is one of the chief obstructions to utilizing psychology in managing men. One's assumed dignity is always in inverse proportion to one's mental caliber. Putting on airs, pretense of power, and assumption of superiority, are like the erection of hairs and the generally fierce attitude of a kitten in the presence of a dog. It is an attempt to compensate for weakness. Bluster is the defense of incapable men. They are vaguely aware of their inefficiency. So they try to compensate for incapacity by bristling up and looking important or fierce. A man of real ability does not seek compensations, and he is not afraid that his dignity will be injured. If he is a manager of men he does not fear that the human touch will be attributed by those under him to weakness. Only weak men fear that they will be thought weak.

Executives who ask the advice of subordinates only when in trouble do not win the respect of the men under them. An illustrative incident, taken from his early days at sea, is related by Runciman. The hard-boiled captain of his ship had groped his way from Mozambique to the Kuriyan Muriyan Islands, always uncertain of his course amid the complicated currents and monsoons. Finally, when to his relief he saw the islands, doubts arose in his mind. Were these really the islands of his destination, or had he been misled by conflicting currents? When he could stand the suspense no longer he turned to his chief officer.

"Have you any doubt about those islands being the Kuriyan Muriyan Islands?" he asked.

"No," replied the mate in his finest languid tone, "I have not."

"Then I'm right," said the captain.

"Oh, yes," drawled the phlegmatic mate. "You're right, but you weren't very sure this time, or you would not have asked my advice."<sup>1</sup>

We have been speaking of the disastrous effect of inflated dignity. It has wrecked many a promising career. Those who are really great in their work do not need to be artificially puffed out to look big, and Lincoln is an excellent example of a man who was big enough not to worry about what others thought of his size. One of the many stories illustrative of his indifference to petty assumption of authority by those under him is worth quoting. A commercial man, after worrying Lincoln to distraction by his shameless persistence, finally secured a coveted permit from the harassed President.

"'You will have to take it over to Stanton for counter-signing,' said Lincoln.

"The happy man, hastening to the War Department, handed the document to the secretary. Stanton, taking advantage of military conditions that warranted a refusal, showed his deep-seated contempt for speculators by tearing the paper into shreds and stamping upon them. The trader returned to the President in a rage, and told him what had occurred. Lincoln, feigning surprise, asked him to describe exactly how the secretary had acted. Then, after a moment's pause, he said: 'You go back and tell Stanton that I will tear up a dozen of his papers before Saturday night.'"<sup>2</sup>

And again Lincoln showed his great magnanimity when he appointed Hooker to the chief command, notwithstanding many disparaging remarks which Hooker had made

<sup>1</sup> *Before the Mast—And After*, by Sir Walter Runciman, p. 55.

<sup>2</sup> *Lincoln, Master of Men*, by Alonzo Rothchild, p. 234. (Houghton Mifflin.)

about him. "I have heard, in such a way as to believe it," wrote Lincoln to Hooker, "of your recently saying that both the army and the government need a dictator. Of course it is not for this, but in spite of it, that I have given you the command."<sup>1</sup>

Our great President, with his keen humor and his contempt for conventionalities, was a superb manager of men. Consequently, the writer ventures to give two more illustrations. The following story shows his humorous and tactful way of keeping a superior man. Probably in this matter he knew that Stanton was right. At all events, he knew that opportunities enough would occur when he must exercise authority without seeking them. And when conditions demanded it, he was firm as adamant.

A member of Congress had obtained an order from the President which required the signature of Stanton. "'Did Lincoln give you an order of that kind?'" asked the secretary of the congressman who presented the document.

"'He did, sir.'"

"'Then he is a damned fool!' was the response.

"'Do you mean to say that the President is a damned fool?'" asked the congressman in amazement.

"'Yes, sir, if he gave you such an order as that.'"

"Returning to the Executive Mansion [the congressman] reported the result of the conference.

"'Did Stanton say I was a damned fool?'" asked Lincoln at the close of the recital.

"'He did, sir; and he repeated it.'"

"'If Stanton said that I am a damned fool,' continued the President thoughtfully, 'then I must be one; for he is nearly always right, and generally says what he means. I will step over and see him.'"<sup>2</sup>

<sup>1</sup> *The Campaign of Chancellorsville*, by John Bigelow, Jr., p. 10. Yale University Press.

<sup>2</sup> *Lincoln, Master of Men*, by Alonzo Rothchild, p. 235. (Houghton Mifflin).

Another story describes Lincoln's management of a disagreeable situation by managing one man. Horace Greeley, in 1864, was vigorously supporting the complaints of a large number of peace-at-any-price advocates. Greeley accepted as genuine and frank the peace proposals of one William C. Jewett and others. No intelligent man who was not trying to make trouble for Lincoln would have given the men who made these proposals a moment's consideration. But in mailing the correspondence to Lincoln, Greeley wrote: "I venture to remind you that our bleeding, bankrupt, almost-dying country longs for peace."<sup>1</sup> Lincoln at once countered by authorizing Greeley to conduct the negotiations, and, as the President expected, the self-appointed commissioners had no authority to propose or to accept terms. Everybody except Greeley saw the humor of the fiasco, and the tense situation was relieved.

Lincoln's career as President would be profitable reading for all managers of men. He directed affairs during the trying period when he was ruler of the nation as much by his accurate understanding and measurement of men as by any other method. He disregarded the competitive presidential bee of Chase. "If he will only make his department go," Lincoln said, "he may keep his bee."

Turning now to the third reason for the failure of managers to handle subordinates successfully, we find that as soon as a man is promoted out of his class or group he feels that he has left behind all human frailties peculiar to the members of the class from which he has been promoted. One wants to forget one's past history and condition, and be regarded as to the manner born. It is an instance of repression of an unpleasant past. To be sure, after a man has become notably prominent he likes to tell of beginning life as an office-boy. But this does not contradict what we have been saying, since the explanation is that what has been unpleasant has now become pleasant. From

<sup>1</sup> *Abraham Lincoln*, by Nicolay and Hay, vol. IX, p. 184.

his high position his progress from a lowly origin appeals to his vanity. It shows, he thinks, his ability to overcome all obstacles and to have made his way without assistance from others. To have been his own architect and yet to have reared so magnificent a structure reveals, he likes to believe, a brain distinctly above the common run. But from the beginning of his advancement he has abhorred the thoughts and feelings that he had when he was of the common herd. And thus, by this repression he has failed to understand his men.

"I have been in business forty years, so I ought to understand the labor question," is a common remark. But perhaps that is the reason why such a man does not understand it. He has been so vitally affected by the manufacturer's labor troubles that he can see only senseless agitation in the discontent of working men. Employers organize. Indeed, we hear they should, to stabilize the market. Competition, we are told, is wasteful. More buildings must be rented, more clerks, salesmen, and factory hands employed; the overhead expense of competition is enormous, and the consumers ultimately pay the useless, wasteful bills. But, on the other hand, factory workmen, clerks, and salesmen should not combine. It is a curious example of demanding for oneself what one will not grant to others.

Again, "a man's right to work" is a common phrase, and by it is meant a man's right to compete with others for the amount of his daily wage. But we hear nothing about the employer's right to accept the price which unrestricted competition offers for his goods. That, we are told, is uneconomical and throws the market into confusion. The goods bought to-day might have to be sold to-morrow at a loss. Further, interference of outsiders, by which is meant those not employed in the business affected, is condemned. But outside employers may, so to speak, interfere as advisers in the meetings of presidents and directors of railroads, mines, and manufactories. That the

adjustment of the wage scale in many industries is an immensely complicated problem, which requires all of the time and thought of labor's representatives who take part in its settlement, the employer does not see, though he knew it well when he was one of the employees.

It will be noticed that the same words are interpreted differently according as they are applied to employer or employee. Combinations to facilitate cheap buying and selling as well as to eliminate wasteful overhead expense are common catchwords to-day, and there is much to be said in favor of them. But how does combination of employers differ from that of the employees? And how does closing factories and mines to reduce production differ from limiting the number of employees by restricting immigration and limiting the number of apprentices accepted in a trade? Both are for the purpose of stabilizing the market, but in the one case it is the market for selling goods, and in the other that for selling the skill of brains and hands.

The writer is not arguing the labor question. He is only trying to show the different meaning which words acquire when a man has advanced beyond the wage class. Such a one rarely gets the employee's point of view. His interest and theirs seem to conflict so vitally that their aspirations are meaningless to him, though he expressed the same ambitions and criticisms when he was one of the workmen. But now, from his impeccable eminence, he says that the wage class does not know when it is well off. "Men should be glad that the times are good enough to enable them to get employment. Every one is entitled to what he can get, and no more." Further, any intelligent person knows that the question of increasing what one can get by "gentlemen's agreements" is quite different from agreements lower down. At the bottom there should be no combinations. Every one should stand on his own merit, and each individual should make his own arrangements for his wage. The employer, however, did not always think so, if he

came from the wage class. Men have no sense, he now maintains in conversation; but he forgets that before he became an executive he was a man. Now, however, those under him are strange creatures. Consequently, he is oblivious of the emotions and thoughts which he had before he was promoted. Advancement has freed him from the peculiarities of the class out of which he has emerged.

Fourthly, as we have said, many managers fear lest they may not be appreciated, and for this reason they do not want conspicuously able men under them. This does not mean that such managers object to good salesmen, but it does mean that they do not want any subordinate to become too prominent in the firm. Inefficient executives always fear outstanding ability in subordinates. This is one explanation of their inefficiency. Too noticeable ability in others, they fear, may contrast unfavorably with their own. If the light of another shines too brightly, it may dim that of the superior. Comparisons must always be in favor of the man at the head, that is, when the topmost man has a suppressed feeling of inadequacy.

Consequently, a weak manager takes the credit for success but shuns the blame for errors. Inefficient men crave appreciation. They have so little ability that they fear it may not be discovered. This is the reason why they object to having others under them of more ability than themselves. They dare not take advice lest those who give it may think them weak. Strong men, on the other hand, do not seek applause. They know that their ability will be recognized ultimately. And, above all, they know that their efficiency will be estimated by the success of the work over which they have charge, regardless of who does it. Therefore they want the best obtainable men around them. The success of these men is the success of the executive. And here again our great Civil War President serves as an excellent illustration.

“There lies the most perfect ruler of men the world has

ever seen," said Stanton in his eulogy of Lincoln. And Stanton had reason to know. Several times in the past he had referred to Lincoln as the "original gorilla," and he was once heard to say that Paul du Chaillu was a fool to go to Africa to look for what he might have found in Springfield, Illinois.

"Some of [Stanton's] personal prejudices would not have been pounded out of him if he had been brayed in a mortar. Even when shown that he had erred, he could only with difficulty be induced to modify his antagonisms. He rarely made amends, and it may be doubted whether he ever brought himself to say, 'I am sorry.' His firmness degenerated, at times, into sheer obstinacy; his enthusiasm, his intolerance, his strength of will, into arrogance. No one who knew the man courted an encounter with him. Only a master of masters could control such an embodiment of force."<sup>1</sup> But Lincoln knew Stanton's ability and wanted to use it. He did not fear him. He managed him, and in his managing he won his respect.

One more quality of a good manager of men stands out conspicuously. It is the willingness to hear criticism of oneself. Men of small mental stature fear criticism. Great men seek it that they may recover from their faults. A letter from Washington to Joseph Reed, dated January 14, 1776, shows the feeling of this great business manager in regard to criticism. "You cannot render a more acceptable service, nor, in my estimation, give a more convincing proof of your friendship," wrote Washington, "than by a free, open, and undisguised account of every matter relative to myself or conduct. I can bear to hear of real or imputed errors. The man who wishes to stand well in the opinion of others must do this, because he is thereby enabled to correct his faults or remove the prejudices which are imbibed against him."

<sup>1</sup> *Lincoln, Master of Men*, by Alonzo Rothchild, p. 231. (Houghton Mifflin.)

Managers are the last ones to learn of dissatisfaction and causes of complaint. This is usually the case with those in authority. Subordinates do not wish to be talebearers. Neither do they offer advice, except in the case of those rare executives who are known to desire it. Occasionally managers plan for suggestions. This may be done by having a receptacle into which suggestions may be dropped, or by the more personal way of having them brought into the office. One manager told the writer that he has not only obtained information regarding causes of complaint, but he has also received suggestions regarding inventions so valuable that he was glad to pay generously for them. Indeed, in this factory there is a standing offer of a reward for suggestions leading to inventions and improvement of method. And the reward, aside from its monetary value, has the psychological effect of keeping subordinates alive in other lines than those for which a reward is offered.

Plans for encouraging suggestions have great psychological importance. We have already said that subordinates, salesmen as well as factory workmen, object to being regarded merely as "things" which the manager uses to accomplish the purposes of the house or factory. They want to feel that they are a valuable part of the entire organization. But mere words will not give subordinates this feeling. Men quickly see through pretense. Merely to tell them that they are essential to the success of a great co-operative plan is only to court ridicule and opposition. They must actually be a part of that plan, and reward in the form of financial recompense or promotion is needed to establish this feeling of partnership in success. The efficient manager makes his men feel that they are working with him instead of under him. Referring to this way of treating subordinates, a New York business man recently told the writer the following story:

"Whenever I think of managing men, my first boss comes into my mind. He was city editor of the *New York*

*Times* and his peculiarity was that he never gave an order. He would not say, 'Go to such and such a place and cover such and such an event'; but, 'Jones, here is a good chance for you, a three-alarm fire at 86th Street and Columbus Avenue.' Or he would say: 'How about running down to the Criminal Courts and looking into such and such a trial?' This was the way he always gave his orders, and he had the absolute devotion of every one of his men. My experience has taught me that many men are irritated at receiving an order." Some such idea also seems to have been in the mind of Charles M. Schwab when he said in an interview: "There is constant temptation to give orders—to tell people what to do instead of permitting them to do it." And A. L. Filene, reflecting upon this tendency of those in authority, says: "It is my belief that to issue blunt orders affecting thousands of persons engaged in a common business undertaking is often detrimental when it is not positively dangerous. It is the thing that more often than is commonly believed impairs efficiency and spirit."<sup>1</sup>

Making men feel that they are working with their manager rather than under him arouses the feeling of responsibility. Subordinates then see that they have a chance to originate—to create. But the opportunity to create must be real and not a sham.

"It is beginning to be understood," said Robert B. Wolf, as reported in one of the bulletins of The Taylor Society, "that when we deny to vast numbers of individuals the opportunity to do creative work we are violating a great universal law." Mr. Wolf might have added that we are violating an important law of psychology. Many business men indulge in sentimental talk about the opportunities for advancement. It would be well to say less and act more. Let them show that they appreciate suggestions by promoting those who make them.

Our great Civil War President possessed all of the char-

<sup>1</sup> *A Merchant's Horizon*, p. 7. (Houghton Mifflin.)

acteristics which we have found a manager of men should have. He understood human nature; he did not worry about his dignity, and therefore he could not be humiliated. Not even Seward, who after his appointment as secretary of state, wrote a letter offering to relieve Lincoln of the duties of his office; or Stanton, who tore up his orders, could insult him. After he became President, he did not forget that he was still a man with all of the human characteristics and frailties. He selected for his cabinet and other subordinate positions the strongest men whom he could find. He endured the slights and outspoken opposition of McClellan until he had given him every chance to make good that any man could ask. I do not care what he does, Lincoln said in substance, when McClellan had refused to see him, if he will only win battles. Lincoln accepted responsibility and, many times, took the blame that rightly belonged to others. He was not intoxicated with authority. He welcomed criticism of himself.

All of the factors of which we have been speaking help to make the morale of any organized body of men; and morale, Napoleon once said, counts 75 per cent in winning a battle. It is certainly not of less importance in gaining business success than in winning military victories. Business men talk much to-day about loyalty, but they always mean loyalty of the subordinates toward the firm. Now the writer ventures to suggest that loyalty should run in both directions. The morale of any organization depends quite as much upon the loyalty of the firm toward its employees as it does upon the loyalty of subordinates. In fact no one who understands human psychology would ever expect the morale of a machine-made organization to be good. The human element is the oil that lubricates the mechanical parts of any organization.

The introduction of so-called welfare work among employees is not sufficient for the human requirements; nor will rest periods and games meet the needs. All of these

excellent plans may be managed in such a way that employees feel devices are introduced to keep them contented with their lot. Much depends upon the sympathetic human touch, and if the manager lacks ability to introduce the human factor in a natural, spontaneous way, he will never become a notable leader of his men. And this means, of course, that he must believe in the human element of trade and industry. For with belief, understanding of how to use it will eventually come.

Whatever else enters into morale, it always includes self-respect, confidence in the intelligent leadership of the head of the organization, and belief in the justice as well as fairness of the leader, who, in business organizations, is usually the manager. Paul Jones, our great naval hero of Revolutionary days, addressed his board of directors on this subject in 1775. The board consisted of members of the Marine Committee of Congress; and Jones gave them his notion of the kind of manager who would succeed in his line of business.

"It is by no means enough that an officer of the navy should be a capable mariner," this great naval commander said. "He must be that, of course, but he must be a great deal more. . . . He should be the soul of tact, patience, justice, firmness, and charity. No meritorious act of a subordinate should escape his attention or be left to pass without its reward, if even the reward of only one word of approval. . . . He should be quick and unfailing to distinguish error from malice, thoughtlessness from incompetency, and well-meaning shortcomings from heedless or stupid blunder. And he should be universally impartial in his rewards and approval of merit." Paul Jones's marvelous success as a naval commander was evidently due quite as much to his knowledge of human psychology as to his skill in naval matters. He created a morale that made his men irresistible. They could not be defeated.

Standardization is the prevailing defect of business.

Now, standardization of machine parts is admirable, but a standardized man has already begun to fossilize. Yet, the principle having been found good for factory products, inertia and habit readily extended it to human acts, in which its application is fatal. Business letters are written on the same model, though they are addressed to men of widely different personalities; decisions regarding matters of detail and sometimes about questions of policy are as standardized as the parts of a Ford machine; and the treatment of subordinates differs as little as it would were it the product of a complicated mechanical process. Here, again, the anxiety to guard one's dignity—a desire as old as man himself—plays a not unimportant rôle.

An illustration of this standardized treatment of subordinates has just come to the writer's attention. It was in the coal-yard of a large ice and coal company. The day was Saturday, and the working hours were drawing to a close when the manager asked the workmen to attend to a job which would require that they remain a short time beyond the usual Saturday hours of work. One of the men replied that he had done his day's work. "Very well," said the manager, "you know, then, what you can do. Your wages are ready for you in the office."

This workman was one of the most efficient in the company's service. He was so courteous and so much more of a gentleman than unskilled workmen frequently are that several patrons of the company on ice routes adjoining his had asked that they be served by him. He was a distinct asset to the company. Let us admit that he spoke hastily because he was tired and it was Saturday. Even unskilled workmen get tired, and irritation accompanies fatigue. But, on the other hand, was the manager of the yard blameless? Would discipline have suffered if the manager had said: "Tom, I wonder if you know what you are saying? Go home and think the matter over, and Monday come and talk with me about it."

Let us turn for a moment to another case of insubordination which was handled very differently. It was during the World War, and a farmer's boy in one of the training-camps became so homesick that he could stand it no longer. So one day, in a fit of despondency, he boarded the train for home. On his arrival, the consequences of his act overwhelmed him. He was a deserter, he might be court-martialled and shot. What should he do?

What he actually did shows his naïveté. He sat down and wrote to the commandant of his training-camp. It was a simple letter, telling what he had done and why he did it. The letter was a boyish recital of the feelings of a homesick lad. And then he asked for advice. He had deserted. What should he do?

The commandant might have done any one of several things. The usual standardized reply would have been to order him to be arrested and court-martialled. During war, desertion is an offense that must be rigorously handled. The discipline of the army demands severity.

But the commandant understood men. He knew human psychology. And he saw that this was a peculiar case which required special treatment. So he wrote the young man a friendly letter telling him to take the first train back and to report to him. On the boy's arrival the commandant gave him a fatherly talk and sent him back to his regiment. So ended a matter that might have had very serious results had not the commandant been acquainted with the psychology of youth.

Did the discipline of the training-camp suffer from this touch of human nature? No one acquainted with the psychology of boys and men will think so. As a matter of fact, the writer had considerable opportunity to observe the discipline of this camp, and so far as visible evidence and conversation with the young men could determine the question, discipline was excellent. And the recruits almost worshipped their commander.

Now, the commandant of this military training-camp was manager of a large body of men under circumstances that demanded perfect order and control. Probably nothing is more important in the army, and especially during war. But the officer in charge was big enough to know that an efficient manager does not need to hunt for ways of showing his authority. An intelligent executive tries to avoid unnecessary exhibition of power. There are enough times when one's authority must be used without going out of one's way to find opportunity. A martinet does not always have the best discipline. Indeed, he rarely does. An illustration will show how true this is.

It was during the period of the recent war. The S. A. T. C. at a large Western university had as its head a young West Point graduate with the rank of captain. This officer was a pleasant, well-meaning young man whose chief obstacle to success in managing was a mistaken notion of the meaning of discipline, together with a somewhat exaggerated idea of the wisdom displayed by the War Department in selecting one of his youth and unusual ability for so important a position.

A large number of the young men in this S. A. T. C. lived in the vicinity of the camp. And quite naturally when there was sickness in their families, these recruits wished to spend Saturday evenings at their homes. Sometimes the young soldiers themselves were sick and wished to consult with their family physician.

Captain B, however, who was in charge of the camp, was strongly opposed to what he called granting favors. "Favors," he said, "interfere with discipline." Consequently, requests of the soldier boys to visit their homes were refused. Then, of course, the inevitable happened.

"If you won't report me when you are taking your turn as sentinel I will return the favor when I am on duty and you come in late," was the agreement among them. Soon this bargain became an adventurous game, and the

visits home were extended to young-lady friends and social functions. Bad discipline spread. Granting favors for return in kind became common in the camp; and as breaches of discipline were discovered and punished by guard-house sentences, hostility to the young commander increased. Naturally this led to attempts to annoy the officer, until finally the lack of discipline developed into a condition of such disorder that the captain had to be removed.

The second in command, also a young West Point lieutenant, would naturally have been placed in charge, but he had committed another fatal blunder in the management of men. He had observed the mistakes of his superior because he knew that discipline, like the cables of a bridge, must have a certain amount of flexibility. He was quite aware that too rigid discipline will snap somewhere. But he had talked. The young soldiers knew that he sympathized with them. He had told them that occasional favors were reasonable and should be granted. In other words, though not intending to be disloyal to his superior officer, he had not been quite square. In his desire to be understood by the recruits he had not played the game according to the rules. And the rules here as always in managing men are psychological principles. They grow out of the psychology of human nature.

Consequently, it was necessary to remove both of these officers and to replace them with others who understood the psychology of young Americans. The new captain who was placed in charge was no older than the one whom he replaced. But he had a bit of humor in his make-up. He did not take himself too seriously. And, above all, he knew that discipline is best when it is inconspicuous, when it is felt rather than seen.

Employees in business are made of the same sort of stuff as those in the army. They have the same aspirations and they are influenced by the same motives. Tact, patience,

justice, and expressed appreciation of meritorious acts are as effective in the world of industry and commerce as among soldiers. The spirit of the rank and file has its source in the men who are directing the affairs which subordinates are expected to carry out. It is not the reward that counts so much. Rather, it is the state of mind which appreciation of service produces. The reward—increased pay or promotion—is only a bit of evidence of that appreciation.

Morale, again, cannot exist where jealousy prevails among associates or where there is doubt of the fairness of the chief in his dealings with subordinates. Self-respect requires that employees be treated as men, that they know something about the plans which they are to aid in carrying out, that the human instincts of creative workmanship, creative planning, and initiative receive their proper dues. In other words, subordinates must not be treated as human tools to work the unknown will of others.

Morale means team-work, and every schoolboy knows that team-work is impossible unless the members of the team are taken into the confidence of the leader and are sure of his unselfish fairness. Of course the leader's knowledge of the technic of the game is assumed, since without this no leader can succeed. But if the leader knowingly plays his favorites or has a "grouch" against a player, skill counts for little. Under such circumstances there can be no morale. Factory work and salesmanship are great games which must be played according to the rules. And these rules we have found grow out of the principles of human psychology. They are the laws of human nature.

Sometimes failure to understand human nature causes an organization to lose a valuable man who is a failure because he does not fit his niche. The Committee on Classification of Personnel in the army during the World War classified 194,228 officers and many times that number of other men. As an instance of the success of this work, one member of the committee selected 800 men for definite

kinds of work, and only three failed to make good in the work to which they were assigned. Another case is worth mentioning, since in this instance the young woman who made the assignment was not a member of the committee. She merely made use of the psychology which she had learned four or five years earlier in her college course, and in her thoughtful planning she showed exceptional skill in managing men.

This young woman was in charge of the dietetics at one of the base hospitals after our entry into the World War. There were never less than 7,000 men in the hospital, and when a transport with troops arrived two or three meals had to be furnished to half as many again. Since the young woman in charge graduated from college in 1915 she had not attained the mature years which Methuselah is reported to have enjoyed. Perhaps this is the explanation of her good judgment. It was not obstructed by the débris of biased experience.

One man in her hospital organization could never be depended upon to follow directions. Orders always aroused opposition in him. The young woman in charge, whom we will call Miss X, was advised to report him for service in the trenches, since he was a Frenchman and was subject to military service. But Miss X was confident that the fellow was valuable if only the right place could be found for him. Finally she decided to put him in charge of a division, since she recalled that bad boys often make the most efficient leaders if they but catch the spirit of the co-operating group. And as chief of a body of workers this previously undependable man became one of her most capable assistants. If he had been sent to the trenches, as she afterward told the writer, she would have lost an exceptional man, when once she found the place for which he was fitted.

A good manager, as we have said under "Personnel Management," selects promising young men, develops them into

capable, responsible agents by giving them ample opportunity for initiative, and, as they show ability, advances them to higher positions or recommends them to the firm for promotion outside of his department. A young man accepting a position under such a manager quickly sees the value of good work. The entire organization or department bristles with suggestions of achievements. Good work, the newcomer learns, is discovered here.

The writer is aware that the prevailing tendency among business men is to build up a strong organization and then keep it. But this is a psychological error. It serves only the interests and ease of a stagnant executive and ignores the ambitions of employees. To be alive an organization must be kept in motion; it must have both a growing and flowering point. The growing part is made up of the subordinate positions where young men are proving that they can make good; and as their ability reveals itself they should be advanced because of the promise which they have shown. Such an organization is alive. It grows on account of the enthusiasm created by the unspoken, but tacitly recognized, promise of reward for successful work. Morale depends in large degree upon that good-will within the organization which is created by knowledge that the quality of work is noted, and by confidence that it will surely receive its deserved reward. But to do this, a careful record must be kept of success and failure. The following is a type of the catalogue card which should be kept of the work of each man in a factory force or office and sales organization.<sup>1</sup>

<sup>1</sup> The cards should be twice as long as this page is wide. If the company has a personnel department all of this work should be under its control, as has been said in the chapter on "The Psychology of Personnel Management." Some things which have already been discussed in detail must be repeated here, because they are a part of the management of the executive in companies which do not have a personnel department.

QUALITIES	ESTIMATE
1. General Characteristics	
2. Personal Appearance	
3. Enjoyment of his work. Is he pleasant and happy? If not, what seems to be the explanation?	
4. Co-operation	
5. Does he show evidence of being able to manage other men?	
6. Initiative?	
7. Suggestions offered by him.	
8. Does his work run smoothly and efficiently?	
9. Does he study his job and try to find ways of improving the method?	
10. Is he liked by his associates?	
11. Does he try to improve the work of his associates by giving information and arousing interest?	
12. Does he try to improve himself by study and reading?	
13. Is he loyal?	
14. Does he respect himself?	
15. Does he show expert knowledge in any line?	
Name	
Remarks	

The way in which record-cards are used will determine to a large extent their value. In unsympathetic hands everything can be used only for the advantage of the company, and the frequency of this condition leads to much of the employees' suspicion of innovations introduced for the benefit of the men. All acts of the house or company create comment among employees, and the farther down the line they are the more is suspicion likely to be aroused because of the difficulty of bridging the intervening space.

Suggestion is more a matter of organization than of words. The factory or office policy should so clearly esteem constructive criticism that the spirit of the organization continually reveals the appreciation of the management. A manager may tell his salesmen that he is interested in them—the writer has heard them say this many times in sales meetings which he has addressed—but if the manager does not show his interest in other ways than by examination of the sales record, the men will not believe him.

A renewed interest in the effect of the mind on the body has recently been aroused. Couéism is only a revival of what psychologists have long known. Mind cures and mental healing depend upon suggestion. The trouble is that, being unacquainted with psychology, many use suggestion about as deftly as a carpenter would use his saw in surgical operations.

We hear much to-day about the value of a hopeful, joyous state of mind in curing functional diseases. Bodily organs function better when one is peaceful and happy. Work is also better done, and the output greater when the workman is pleased with the conditions of his employment. Consequently an intelligent manager will give attention first of all to the conditions under which his subordinates work. He will represent their interests.

“Actions speak louder than words” is a trite observation, but few managers have learned to act upon it. Meetings

of the sales force are held occasionally, and here the manager asks the men to present their problems. But many troubles and perplexities are too personal for public discussion. The writer recently called the attention of a manager to a very young but promising salesman of his organization with the remark that he was worth a little personal attention. "I have no time for such matters," was the reply. "All that I want to know is whether he is selling the goods."

Efficiency requires selection of duties to which we attend; and the morale of the force is too important to be ignored. Washington's ragged, weary soldiers, tramping over the rough, frozen ground with only old rags or strips of raw-hide to cover their feet and legs, left bloody footprints in the snow as they marched into winter quarters at Valley Forge. Their great leader's ability to hold this hungry, shivering, influenza-ridden crowd of homesick men during that dreary winter of inactivity shows him to have been a consummate manager of men. And Washington, with all of his cares and duties as commander in chief of the army of the new republic, had time to spare for the welfare of the soldiers in the ranks.<sup>1</sup> Had not the friendly sympathy which led his men to call him the "Great Father" prompted this personal attention to his soldiers, good business would have done so, for Washington knew that no proposition, however valuable it might be, could be "sold" to men without throwing in a generous quantity of the human element of personal contact and kindliness.

"A man is made up of six parts of human nature," wrote Walter H. Page in one of his letters,<sup>2</sup> "and four parts of facts and other things—a little reason, some prejudice,

<sup>1</sup> Every business man should read Irving Bacheller's *In the Days of Poor Richard*, if for no other reason than to see how strong the personal element was in this great manager of men.

<sup>2</sup> *Life and Letters of Walter H. Page*, by Burton J. Hendrick, vol. II, pp. 73-74. (Doubleday, Page & Co.)

much provincialism, and the particular fur or skin that suits his habitat. When you wish to win a man to do what *you* want him to do, you take along a few well-established facts, some reasoning, and such like, but you take along also three or four or five parts of human nature—kindliness, courtesy, and such things—sympathy and human touch.”

Managing men is not a machine-made job, and no machine man need apply. Rules are of little use. They assume that men and conditions are alike, though a little observation will show that people and situations are never the same. Every one has personal peculiarities which business relations, as well as social intercourse, must take into account. It is these peculiarities that make up individuality.

One device for reaching the best results is to postpone action. Delaying the decision, when immediate action is not imperative, gives the cerebral processes a chance to do their share in clearing up the perplexities of a problem. Captain Marryat, now an undeservedly forgotten author, makes an observation in *The King's Own* which has a much wider application than discipline covers, though it is to this that he applies it. The story is one of Marryat's famous tales of the sea, and the following incident shows how fully the author understood human nature as well as the psychology of managing men.

“But with all his severity, so determined was Captain M. to be just, that he never would exercise his power without due reflection. On one occasion, when the conduct of a sailor had been very offensive, the first lieutenant remarked that summary punishment would have a very beneficial effect upon the ships' company in general. ‘Perhaps it might’ [replied the captain], ‘but it is against a rule which I have laid down, and from which I never deviate. Irritated as I am at this moment with the man's conduct, I may perhaps consider it in a more heinous light than it

deserves, and be guilty of too great severity. I am liable to error—subject, as others, to be led away by the feelings of the moment—and I have therefore made a compact with myself never to punish until twenty-four hours after the offense has been committed; and so repeatedly, when at the time I have settled in my mind the quantum of punishment that the offender should receive, I have found, upon reflection, reasons to mitigate the severity, that I wish the Admiralty would give a standing order to that effect.' ”

It is not an easy-going—go as you please—method that the writer is advocating. He is urging the claims of human nature. Managers want to get things done, and it is foolish inefficiency to incite resistance in those who are to do the work. There's a saying that fish won't bite if you are out of sorts with the world or any part of it, however small that part may be. But there are also other animals at the upper end of the evolutionary scale who will not bite under those conditions no matter how temptingly the hook may be baited.

The external conditions of work, important as they are, are not the only facts which make for an efficient state of mind. There are also psychological conditions, facts of human nature. “Put yourself in the other fellow's place” is so common a statement that its significance is easily overlooked. But an unusually discerning manager of a large number of men recently made the following statement to the writer: “Whenever trouble threatens in our establishment I try to think how I would feel were I one of the workmen, and in most cases I am compelled to admit that I would feel and act as my workmen do. Then I set myself to remedy the cause of complaint.” While reflecting upon discontent, let us remember the words of Cavour, the great Italian statesman and political philosopher. They are as applicable to matters of every-day management as to the more extreme cases of revolt.

"Do you want to prevent revolution? Do you want to do away with radicalism? I will tell you how to do it. It is by affording remedy in quiet times instead of waiting for times when you no longer have power to guide the remedy."

Every business organization has what may be called its habits, and these habits begin with the active head of the firm. Departmental managers take their cue from this chief executive. These so-called habits are the policies of the house with reference to customers and employees. Every employee knows quite well whether the house has any interest in him beyond his output or his sales; and as we have seen, sales depend no less on the way in which a man feels toward his house than on his ability as a salesman.

If one's opinions disagree with human nature, get rid of human nature, is too often the unexpressed slogan of managers of men. This error is the cause of many of our labor troubles. The expense of five railroad lines in fighting the shopmen's strike of 1922 was \$11,500,000, as shown at a recent federal hearing. This may be good business, but the present writer doubts it. This is not the place to discuss the question, but it is sufficient to say that psychological factors played a large part in the conditions which led to this enormous loss of money. Human nature cannot be voted out of men at meetings of boards of directors.

Managing men is a great game, but it must be played according to the rules, and the rules we have found to be principles of human behavior, which is only another name for psychology. It is a game of human impulses, and, like all games, it must be understood if it is to be well played.

Human nature is the only commodity of business men which they think requires no study. If they sell dry goods at wholesale, they have departmental buyers, because one man does not have sufficient information about everything

which they sell. Yet knowledge of men, the significant factor in business, is left to chance. Their impulses and incentives are the kings and queens of the industrial chess-board, but the business man is interested in his pawns. The human element, so essential to management and leadership, is subordinated to groceries and hardware. Everything except men is studied. But of them experience seems to give all needed knowledge. Yet experience has a dainty appetite; it selects only what pleases its palate.

Upon a solid foundation of psychological knowledge experience can erect a structure that will be a credit to the builder, but without that knowledge there is nothing by which experience can be tested. A man who seeks new knowledge is alive; he is always testing his decisions and his actions. He never acquires that spirit of self-satisfaction which Dostoievsky once said is the infallible mark of an inferior mind. Great men in the making are always superior to great men made. A finished product, whether it be an article of merchandise or a man, is already beginning to decay.

## CHAPTER IX

### THE PSYCHOLOGY OF LEADERSHIP

PROFESSOR JAMES once remarked that society walks on two legs—imitation and invention. He was talking about thinking. Most people are followers. A few—very few—blaze new trails. These are the thinkers—the inventors of ideas. They are leaders.

Men rarely use all their ability. This is seen in their amazing physical strength under stress of great excitement. They then display undreamed-of power. And it is the same with thoughts. A man never knows of what he is capable until demands upon his resources put him to the test. Then he sees that he has been living at a low level of achievement. When Theodore Vail told his engineers that he wanted to talk from Boston to Washington over an underground wire they did not think it possible. But Vail had his talk.

Lord Kitchener, again, during the World War is reported to have ordered an officer to do a difficult task. The officer pointed out that the achievement was impossible. Kitchener listened patiently and then said: "You have given me unanswerable reasons for not doing this thing. Now go and do it."

Human inertia is the cause of underworking our ability. We get accustomed to a certain rate of action, and it is hard to change the gear. St. Elmo Lewis has analyzed, in his *Bulletin*, the mental attitude and methods of the average business man. "The sales and advertising manager as well as all of the executives," he says, "by the very nature of their daily routine and their habits, tend to develop a narrow, but comfortable, view-point toward their work and the future of the business. . . . We realize that our

sales policy needs adjusting to new conditions, but we hesitate. 'What's the use? It's been working pretty well for five years. It's good for another five—or, I'll wait until next year.' "

The explanation of this comfortable attitude, which Mr. Lewis has so well described, is that human beings tend to follow the line of least resistance. Man does not want to go to unnecessary trouble. So occupation habits get the mastery of him before he knows it. Indeed, he hardly ever discovers that he is a slave to inefficient habits.<sup>1</sup> "The other day," continues Mr. Lewis, "a manager said to me: 'I am getting rusty. It would be the best thing in the world for me if I got a red slip from the secretary next month.' He was candid."

A significant fact about these occupation habits is their stealth. They creep upon us unawares and before we know of their presence they have overpowered us. Men do not consciously decide to do things in the easiest way. It is just the tendency of living organisms. No one wants to make unnecessary exertion. This is one phase of the law of conservation of energy. Most young men are ambitious. They want to get ahead. The trouble is they do not know how to do it. The way in which things have been done works well up to a certain point; otherwise the business would have gone into bankruptcy. So why make changes? But meanwhile conditions have altered. They change whether the firm's policy alters or not. There never was a time when transitions were so frequent and so rapid. Many a manufacturer has gone into bankruptcy because he did not keep up with the game.

Men, we have said, rarely use all of their ability. A man is never conscious of his power until he throws all of his energy into the scale that is to measure his worth. Then he sees that he has been living at a low level of achieve-

<sup>1</sup> See *Psychology and the Day's Work*, by Edgar James Swift. (Charles Scribner's Sons, New York, chap. I.)

ment. "I did not know that it was in him," sometimes expresses our surprise at the unsuspected ability of a young man suddenly called to a position of great responsibility. He met the emergency because the position was worth his best efforts, and he knew that anything less would mean failure.

Often we need an excitant. Sometimes grave danger does the work. In an emergency we think faster and more accurately than is our wont. Again, the environment may stir our dormant powers. It has been observed that great men appear in stirring epochs. This is not mere chance. Events awaken thought and action. Grant did not show exceptional military ability at West Point, but war revealed his latent power.

A leader also puts us at our best. Many of Napoleon's marshals whose experience and ability won their commander's confidence showed no extraordinary power when absent from his sphere of influence. There is always a tendency to drop to a lower level of efficiency than ability warrants—to move at half steam. In an emergency, power may be applied, but it is shut off when the pressing need has passed. Gradually the will to run at higher speed diminishes and we settle down permanently into a routine mental gait. Occupation habits reduce ability to the lowest degree of efficiency that the work will stand. Change of action requires thought, and thinking demands energy which we are loath to expend. Finally, habits eliminate the need for thought.

Barrett, a psychologist, investigated mental activity when a choice was to be made between two or three kinds of action, and he found that "the natural tendency is toward automatic choosing." Finally, "there was nothing to remark. There were no feelings, hesitations, or motives to describe. The mental act had become direct and simple. . . . The will had gradually ceased to expend useless effort. Volitional force was economized. . . . Automatism

held sway, and there was nothing to record.”<sup>1</sup> This is a pretty good description of mental death. It is the reduction of the mental temperature to the zero point, that is, from the standpoint of accomplishment. From the side of mind it is economy. That is the psychology of it. Economize energy. Expend as little effort as is necessary to meet the situation. This is the physiological law of organisms. And it applies conspicuously to occupation habits.

This explains the statement recently made to the writer by the president and general manager of a large manufacturing company. “I find very few individuals making any effort to think out better ways of doing things. They do not anticipate needs, do not keep themselves fresh at the growing point. If they ever had any imagination they seem to have lost it, and imagination is needed in a growing business, for it is through imagination that one anticipates future changes and so prepares for them before they come. The difficulty with which our factory is always confronted is that the business grows faster than those within it. The men do not keep up with the changes in the industrial and commercial world. We need, at the present time, four or five subordinate chiefs in various parts of the factory, and I can fill none of them satisfactorily from the material in hand.”<sup>2</sup> And in this connection a remark of the sales manager of another large plant is suggestive. “Young men,” he said, “of apparently good ability who wish to become salesmen prove wholly incapable of coping with situations. They seem to lack the energy to apply their intelligence.” This is a strong statement, but, unfortunately, a rather wide inquiry among business houses indicates that it is true.

A man usually grows to the smallest dimensions of his job and then stops growing. He rarely makes a little job into a big one. Only so much effort is put into a piece of

<sup>1</sup> *Motive-Force and Motivation-Tracks*, by E. Boyd Barrett.

<sup>2</sup> See *Learning by Doing*, by Edgar James Swift, p. 213. (Bobbs-Merrill Co.)

work as is required to produce a satisfactory result, and generally there is no standard of achievement. Roosevelt is an illustration of men who set standards.

When he entered upon his duties as a member of the Civil Service Commission everything was satisfactory to the politicians. "The various commissions," J. B. Bishop says in his *Theodore Roosevelt and His Time*, "had been composed of men of quiet disposition and mature years, whose natural inclination was to follow the line of least resistance in all matters of policy." But Roosevelt did not propose to be a nonentity on a useless commission. He knew that the commission was worth while and he determined to show its value. Inquiry into the methods of the Baltimore post-office brought him at once into a bitter controversy with the secretary of the treasury and the post-master-general. And when the commission demanded the removal of the accused officials in Baltimore, the politicians of the Republican party were furious. The excitement was much like that of another day described by Thackeray in his *White Squall*:

"Then all the fleas in Jewry  
Jumped up and bit like fury."

But Roosevelt won, and when he resigned in 1895 "the classified service had been extended to practically all of the executive forces throughout the United States, including approximately 85,000 places. The great value of his six years of service, however, did not lie in the increased number of places within the rules, but in the revolution that he had accomplished in the minds of both the politicians and the people regarding the law and its merits. The old idea that it was a 'fool law,' the outcome of the impracticable dreams of a lot of 'crank reformers' had been dispelled forever."<sup>1</sup> And these changes were brought about by Roose-

<sup>1</sup> *Theodore Roosevelt and His Time*, by J. B. Bishop, p. 53. (Charles Scribner's Sons.)

velt because he was a leader of men. He accepted an unimportant position that was never intended to be a man's job and transformed it into a position for national service.

We have cited this instance in Roosevelt's early career as an illustration of one who did not grow to the smallest dimensions of his job, and then stop growing. He did not put the minimum effort into his work that would enable him to retain his position. He increased enormously the size and importance of the insignificant position that was offered to him as a sinecure.

Lack of versatility is one reason for the scarcity of leaders. But the deadening effect of occupation habits is not limited to employees. An efficiency engineer once told a group of business men the results of his close-range observation of managers and working men. The story is related by E. St. Elmo Lewis in his *Getting the Most Out of Business*. "I have no trouble in getting the factory men to accept efficiency," said the engineer. "It is the managers who make the trouble. The managers want to get better results in their way. They don't want to learn new ways which point to their inefficiency of management or the cause of waste."

Lest, however, the sales managers may think that this opposition to changes is true only of factory managers, the present writer hastens to add his own experience. He has addressed hundreds of salesmen and scores of sales managers. And while he has found the younger salesmen interested in the new ideas of the psychology of salesmanship, he has discovered that the minds of sales managers are frequently closed and locked. They know everything which they think is worth learning. They are unwilling to learn new ways, the suggestion of which indicates inefficiency in their management. "They want to improve," as Lewis says, "but they want to improve in their own way."

The tendency to adopt the easiest method and not take unnecessary trouble is seen in the inclination always to

lower cost of production by cutting wages. Yet N. I. Stone, formerly chief statistician of the Tariff Board, found that "almost invariably the mills paying higher wages per hour showed lower costs than their competitors with lower wages. Thus, in wool scouring, the lowest average wages paid to machine operatives in the thirty mills examined was found to be 12.16 cents an hour and the highest 17.79. Yet the low-wage mill showed a labor cost of twenty cents per hundred pounds of wool, while the higher-wage mill had a cost of only fifteen cents per hundred." Again: "In the carding departments of seventeen worsted mills, the mill paying its machine operatives an average wage of 13.18 cents per hour had a machine labor cost of four cents per hundred pounds, while the mill paying its machine operatives only 11.86 cents per hour had a cost of twenty-five cents per hundred pounds."<sup>1</sup>

"Further," continues Mr. Stone, speaking of the carding departments of twenty-six woollen mills, "the mill with the highest machine output per man per hour, namely 57.7 pounds, had a machine labor cost of twenty-three cents per hundred pounds, while the mill with a machine output of only six pounds per operative hour had a cost of \$1.64 per hundred pounds. Yet this mill, with a cost seventeen times higher than the other, paid its operatives only 9.86 cents per hour, as against 13.09 cents per hour paid by its more successful competitor." Evidently there was no leadership in these cheap-labor mills. The managers could not see beyond the daily wage. Let us turn to another picture.

Henry Ford takes the definite stand that it should be an employer's ambition, as leader, to pay better wages than any of his competitors. "It would be the worst sort of bad business," Mr. Ford says, speaking of his own plants, "to go back to the old market rate of paying. . . . Our

<sup>1</sup> *Century Magazine*, vol. 64, p. 111. These statistics were gathered before the recent rise in wages, but that does not alter their value. The proportional rate of wages is the important fact.

profits," he continues, "after paying good wages and a bonus—the bonus used to run around ten million a year before we changed the system—shows that paying good wages is the most profitable way of doing business."<sup>1</sup>

The writer has quoted Mr. Ford because this manufacturer stands out as one of the conspicuous leaders in the business world to-day, and also because he differs vitally from the prevailing view among business men regarding wages and efficiency. Mr. Ford reduces the price of his product, and "the new price forces the costs down" without reducing wages. "The low price makes everybody dig for profits. We make more discoveries concerning manufacturing and selling under this forced method than by any method of leisurely investigation."<sup>2</sup> The manufacturing methods at Dearborn are worth this reference because they have succeeded from the business man's standpoint. Mr. Ford has made money, which is the business criterion of success. And he has reduced the labor turnover to such an extent as to practically eliminate it as a disturbing problem. He cannot be disposed of on the ground that "he violates the economic law." Leaders are always violating something.

We have been speaking of the human tendency to follow the line of least resistance, to abhor change because of the effort necessary to put the new through, to be satisfied with what is, and to accept the prevailing conventional notion regarding the economics of business. This psychological tendency "to stand pat" is of such transcendent importance as to be worth further discussion and illustration. It has wrecked many a business as well as many a political career.

The history of business, as of other things, shows the violent opposition to innovations which all now accept.

<sup>1</sup> *My Life and Work*, by Henry Ford in collaboration with Samuel Crowther, pp. 116, 130. (Doubleday, Page & Co.)

<sup>2</sup> *Ibid.*, p. 147.

Adding-machines, cost systems, loose-leaf ledgers, card methods of preserving and using data needed for understanding and promoting one's own business were ridiculed. So little are some of these "visionary ideas" appreciated even to-day that it was thought necessary to make the cry, "Dig into your business," the key-note recently at a meeting of a large manufacturers' association. "Make written, accurate records of everything," exclaimed one speaker, "of costs, production capacity, selling expenses, and so forth. Then go to it intelligently."

The Federal Reserve Bank system, as most readers of this book will recall, was vigorously opposed by bankers and business men. The writer has before him more than two score of pamphlets and addresses by bankers, men of big business, and economists, all of which "prove beyond doubt" that the plan will not work. These addresses and pamphlets are marvels of beautiful and convincing arguments. The only objection to them is that when the plan was tried it succeeded beyond the expectations of its most devoted advocates, and to-day the former denouncers of this innovation would, under no conditions, return to the old system.

New methods, changes of any sort, have a hard time getting a hearing. Business men pride themselves on being "hard-headed and practical." And their boast is justified, for new ideas do not easily penetrate their cerebral cortex. The accumulation of conservative débris which has been inherited through tradition, and in which business men are daily immersed, since their associates are men of their own class, obstructs the entrance and reception of new ideas. The old, habitual notions are like the office-boy in the antechamber of the manager or president of a corporation, who guards the sacred person of his employer. These antiquated notions admit only those ideas that are wanted, and the ones which are wanted conform to the old established beliefs and opinions.

Charles W. Hurd, writing about Theodore Vail in *Printers' Ink*, said with a touch of humor that all Mr. Vail did to the Western Union "was to put life and courage into the demoralized force." Yes, that is all he did. He infused life into a corpse. He revitalized an organization which had become inanimate because of conservative, traditional methods. But that is what a leader always does.

Another thing that Vail did was to find good men and use them. He knew a valuable man when he saw him at his work. And this rare ability is one of the characteristics of a leader. The new régime which he instituted broke up the occupation habits of the company's men. They saw a prospect ahead. The trees disappeared in the view of the magnificent forest that lay before them.

And, again, to refer to an event farther back in history, so far, indeed, that the opposition to it has been forgotten, Professor Lovering, of Harvard University, *proved* mathematically the impossibility of telegraphing three thousand miles under the ocean, and Alexander Jones, at that time manager of the Associated Press, maintained, as a practical business man, the impossibility of the Atlantic cable.

The idea, Mr. Jones said in 1852, "of connecting Europe with America, by lines extending directly across the Atlantic, is utterly impracticable and absurd. It is found necessary on land to have relays of batteries and magnets to keep up or to renew the current and its action when sending messages over a circuit of only four or five hundred miles. How is this to be done in the ocean for a distance of three thousand miles?"<sup>1</sup>

We have found that man tends to adapt himself to conditions that exist. Only by conforming does he feel comfortable. He hates changes, and always finds satisfactory arguments against innovations. This tendency is not

<sup>1</sup> *Fifty Years a Journalist*, by Melville E. Stone, p. 208. (Doubleday, Page & Co.)

especially characteristic of any one class. It is a human quality. In business it affects subordinates and managers alike. What, then, is the reason for this lack of energy?

First of all comes racial indolence. No one, we have said, wants to go to unnecessary trouble. It takes effort which one is loath to expend. Men are prone to do things in the easiest way that will bring passable results. Man is primarily an adaptive animal. He adapts himself to things as they are. Change produces friction and that is unpleasant. Consequently, taking the trouble to find the best way of doing things, instead of being satisfied with a way that brings fairly good results, must be made an object. It must be worth while. This is one use of a leader. He arouses energy in those who are under him. He makes them want to go to any amount of trouble to increase their value and efficiency. He does not do it by driving. He knows how to lead. Any one can drive. That requires no ability. But leading—that's a different matter. It calls for genius to stimulate and influence. Sales managers are too commonly drivers. They know only the "hurrah method," and the content of their "hurrah" is usually the superheated air of which we hear in slang.

Then, too, habits play their rôle. Racial indolence—native antipathy to unnecessary exertion—resists adoption of plans or methods because they require exertion, mental and physical, and habit has fixed the old ways of acting in the nervous system. Occupation habits, of which we have spoken, come in here. And the worst of it is that the man who has them does not know it, so subtly do they get their grip and hold the mastery. This is the explanation for much of the labor trouble. The conventional views about labor, trades unions, the wage system, and the entire economic situation, rule the mind because of abhorrence of the new. It is also the reason for the failure of business houses with long-established successful trade. Their managers cannot adapt themselves to the new conditions. They fol-

low the old methods which no longer meet the needs of the times.

Look at the changes of the last few years in the wholesale grocery business, which, to a large extent, is typical of the other lines of business. Formerly the owners knew their customers personally. The country buyer took a week off once or twice a year to come to town and make his purchases. He was given a good time by the owners of his wholesale house. He enjoyed his outing and left a large order. Now the travelling salesman practically owns the trade in his territory. If he leaves his firm he takes his trade with him. The owners know their customers only by name. Again, competition has stripped the wholesale grocer of many of his "best-sellers." He no longer sells tea, coffee, spices, cigars, or tobacco. To meet these and other losses he must find new commodities. So we have the curious anomaly of the wholesale grocer selling dry goods, hardware, sewing-machines, staple drugs, and patent medicines. Indeed, he now sells a greater variety of other goods than of groceries. The rapidity of these changes compels him continually to become familiar with a new line of goods and to find a market for them.

Again, there is the woodenware business which now sells almost everything except articles made from wood. Truly, "eternal vigilance is the price of profits." But it must be an intelligent, offensive vigilance and not merely holding the line against assault. No man who follows antiquated methods need apply for a managership to-day. The work requires a leader.

There is a rather wide-spread view—an opinion as mistaken as it is common—that leadership is an inborn gift, a present from the gods. This is a cheerful belief, since if it be true, the acquisition of the ability to lead requires no work. The power will come of itself if those above us only recognize our worth. This view is usually the excuse of the discontented who are waiting to be appreciated. It is the

expression of satisfied indolence. But a survey of history shows that great leaders have always prepared themselves before emergencies required decisions and action. Read, for example, the qualities which helped to make Dana a leader of journalists as they are described by Chester S. Lord.<sup>1</sup>

“One reason for Charles A. Dana’s success may be found in his fine leadership. He inspired the confidence of his helpers by his surpassing knowledge of the business. He encouraged them by his recognition and appreciation of superior work and his absolute justice toward them.”

Perhaps we can clarify our view of leadership by a glance at leaders in another field than business. Such a survey will give us a clearer perspective.

Lord Fisher, in a survey of great naval leaders, with special reference to Nelson, names self-reliance, fearlessness, initiative, and fertility of resources as essential qualities of leadership. But fertility of resources requires a stock of knowledge from which resources may be drawn, and initiative without knowledge is pure guesswork. Self-reliance and fearlessness, again, have often been conspicuous in men who failed. Our Civil War is replete with names of self-reliant, brave generals who failed. Braddock, also, in the battles of the English with the Indians did not lack these qualities. He was too self-reliant. And he failed because he refused to take the advice of Washington, who did not guess, but based his decisions on knowledge. Napoleon, again, one of the greatest military leaders of the world has emphasized the importance of this factor of knowledge in defeating opponents. “If I always appear ready with decisions,” he said, “it is because I have investigated and meditated.” Evidently Napoleon appreciated the value of information as a basis for reflection. At one time, when his baggage was captured, a complete description of the mental characteristics of all the generals

<sup>1</sup> *The Young Man and Journalism*, pp. 48 f. (The Macmillan Co.)

opposed to him was found. These biographical portraits described in minute detail the way in which the mind of each of these generals worked. Some were daring, others overcautious. So carefully were the descriptions worked out that in an emergency, having identified the opposing commander, Napoleon knew what chances he might safely take. With this great military leader it was intelligence using information which had been patiently and thoughtfully acquired for future use, and that is what intelligence always does.

One of Nelson's orders of the day in the campaign of Trafalgar<sup>1</sup> is worth mentioning, since it shows how fully this great leader had mastered naval history. "Indeed, nothing is so remarkable in this immortal memorandum," says Corbett, "as the way in which it seems to gather up and co-ordinate every tactical principle which had ever proved effectual."

"No day," wrote Nelson in this brief memorandum, "can be long enough to arrange a couple of fleets and fight a decisive battle according to the old [approved] system. . . . I shall form the fleet into three divisions in three lines. One division shall be composed of twelve or fourteen of the fastest two-decked ships, which I shall always keep to windward, or in a situation of advantage. . . . I consider it will always be in my power to throw it into the battle in any part I may choose. . . . With the remaining part of the fleet formed in two lines I shall go at them at once. . . . I think it will surprise and confound the enemy. They won't know what I am about."<sup>2</sup> And they did not.

For more than two hours Nelson's unusual tactics kept the French commanders guessing. They could not understand from his bewildering method what his various divisions were going to do. "But when it was clear that the

<sup>1</sup> See *The Campaign of Trafalgar*, by Julian S. Corbett, pp. 348-349. (Longmans, Green.)

<sup>2</sup> *Ibid.*, pp. 346-347.

strange tactics meant an attack on the centre in a column [the French commander saw], as he says, the possibility of cutting off Nelson's rearmost ships. . . . It was a risk Nelson had calculated and taken with a light heart. 'It must be some time,' he wrote in the memorandum, 'before they can perform a manœuvre to make their force sufficiently compact to attack any part of the British fleet.' " <sup>1</sup> And so it proved.

Stonewall Jackson, again, comes well within the requirements of a leader mentioned by a recent writer in the *Proceedings of the United States Naval Institute*. "A man without dash," says this writer, "is never a hero to his fellow men, and one without imagination cannot hope to rise above mediocrity." <sup>2</sup>

Yet Jackson, though he met this requirement, never dashed without knowledge. "Before he committed himself to movement he deliberated long, and he never broke camp until he had ample information. . . . His power of drawing inferences, often from seemingly unimportant trifles, was akin to that of the hunter in his native backwoods, to whom the rustle of a twig, the note of a bird, a track upon the sand, speak more clearly than written characters. . . . After the bloody repulse at Malvern Hill, when his generals awakened him to report the terrible confusion in the Confederate ranks, he simply stated his opinion that the enemy was retreating, and went to sleep again. A week later he suggested that the whole army should move against Pope, for McClellan, he said, would never dare march on Richmond. . . . At Fredericksburg, after the first day's battle, he believed that the enemy was already defeated, and, anticipating their escape under cover of the darkness, he advised a night attack with the bayonet. His knowledge of his adversary's character, de-

<sup>1</sup> *Ibid.*, pp. 389-390.

<sup>2</sup> Captain R. D. White, *Proceedings of the U. S. Naval Institute*, vol. 47, p. 655.

rived, in great degree, from his close observation of every movement, enabled him to predict with astonishing accuracy how the enemy would act under given circumstances.”<sup>1</sup>

Jackson “appears to have thought out and to have foreseen—and here his imaginative power aided him—every combination that could be made against him, and to have provided for every possible emergency. He was never surprised, never disconcerted, never betrayed into a false manœuvre. . . . From Hannibal to Moltke [and on to Foch] there has been no great captain who has neglected to study the character of his opponent, and who did not trade on the knowledge thus acquired.”<sup>2</sup>

It will be noticed that the author whom we have just quoted speaks of Jackson’s imagination as an aid in helping him to win victories, and undoubtedly no leader can be great without a fertile, productive imagination. But imagination requires raw material with which it may build. Only after information has been acquired and worked over into related knowledge can the imagination construct a method or plan that will achieve results.

Imagination is admitted to be essential to leadership, but the belief is rather common that it is an easily mastered characteristic of man. The writer has had young business men ask for instruction in imagination. It is thought to be something that one acquires as one learns stenography, in a six months’ course. But constructive imagination, as we have said, is based on knowledge. Memory is the recall of an event or fact, and imagination is the reorganization and reconstruction of the items and details which memory places at our disposal. But facts are a part of our stock of knowledge, and the more facts we have in memory the greater will be the quantity of raw material upon which

<sup>1</sup> *Stonewall Jackson*, by G. F. R. Henderson, vol. II, pp. 12-13. (Longmans, Green.)

<sup>2</sup> *Ibid.*, pp. 594-596.

our imagination can work. Men often fail, however, to make use of the facts at their disposal. They do not see the significance of the information. The old ways of doing things—the familiar, customary lines of action—have too strong a grip. New constructions of the imagination, new methods and plans, to be productive must be carried out, and this involves a serious and painful break in habits of thought and action that run smoothly and comfortably so long as they are not disturbed. Sir Ian Hamilton, in his *Gallipoli Diary*,<sup>1</sup> refers to a tragic case of this mental lethargy during the World War.

“Now that I am getting more precise news about what fighting there was, it seems clear that this great mass of young, inexperienced troops failed simply because their leaders failed to grasp the urgency of the time problem when they got upon the ground, although, as far as orders and pen and ink could go, it had been made perfectly clear. But, in the face of the Turk, things wore another and more formidable shape. Had Lord Bobs been commander of the ninth corps; yes, just think of it! How far my memory carries me back. Every item needed for the rapid advance: water, ammunition, supplies, and mules, closely and personally checked and counterchecked.” Yet the advance was not ordered. The men in command did not see the need of haste. Their imagination could not picture the situation that existed.

The illustration of a manufacturing-plant, as a picture of the manner in which the imagination does its work, is not wholly wrong. The raw material of the factory is made over into something quite unlike the stuff out of which it is manufactured. The finished product in both the factory and the imagination may be machinery or an invention of any sort, or, again, it may be an interpretation of a situation with a formulated plan of action. But it should be repeatedly emphasized that raw material is necessary. The

<sup>1</sup> Vol. II, p. 142. (Arnold, London.)

weather-bureau service, the dissemination of agricultural and financial market reports, the railway postal service, and the Federal Reserve Bank system were all products of the constructive imagination before they appeared at the bar of reason for a critical appraisal of their worth.

An interesting fact was observed during the period of our participation in the World War. Few of the dollar-a-year men were equal to their new jobs in the emergency. The conspicuous failure of some of these "big business" men astonished observers. "The surprising thing," says Franklin K. Lane in one of his letters,<sup>1</sup> "is that these great men . . . do not loom so large when brought to Washington and put to work." It need not have caused surprise since it illustrates just a bit of human nature. But it is a matter of tremendous significance in the psychology of business and of leadership.

The dollar-a-year men were not a promiscuous assortment. They were a selected lot, gathered, as was thought, from the most capable "big business" men of the country. Yet not a few of them were incompetent in the positions to which they were assigned, although the assignments were made with special reference to the work in which each had made a reputation in the business world.

Many reasons doubtless played a part in their inadequacy, but the one in which we are now chiefly interested is lack of imagination caused by want of knowledge. Their imagination had been ranging within too narrow a circle, though within the boundaries of their own fields of business it had loomed large.

The same fact was observed upon the battle-field in the World War. Leaders who had succeeded in the past were not equal to the immensely larger problems of the new kind of warfare. It would be ungracious to mention names, but it is well known that during the early part of the war the

<sup>1</sup> *Letters of Franklin K. Lane*, edited by Anne W. Lane and Louise H. Wall, p. 274. (Houghton Mifflin.)

chief trouble of the Allies was their inability to find competent leaders. After the United States became involved, a member of the War Department was asked why the subordinate commanders of high rank were so seldom mentioned in the public press. "Because it is necessary so often to relieve them of their command," was the reply. These men, like those serving for a dollar a year, could not expand their thoughts to the monstrous size of the new demands. Their imagination, hobbled by earlier experiences less complex, could not wander far afield. Everything was too big to be included in their mental picture.

The use of imagination in making plans by means of the information that has been acquired was shown by Foch at the first battle of the Marne. His view of the situation included the conditions on all of the fronts. He was not unduly impressed, as men of less caliber would have been, with his own troubles when he telephoned to Joffre: "My centre is giving way and my right falling back." He read the signs of the terrific pressure on his front, and remarked to a fellow officer: "If they attack me so hard here, it must be because they are badly off elsewhere." And understanding this, he had added to his earlier report to Joffre the encouragement that "The situation is excellent. I shall attack."

This view of the whole situation was lacking in the officers of the Western Union when they refused the offer of the Bell Telephone Company to sell their patents for \$100,000; it was lacking also in the directors of the Sharpe's Rifle Company during the Civil War when they declined to manufacture metallic cartridges; and in the business men who replied to Howe's request that they try his sewing-machine by saying: "We are doing well enough now. There is no reason why we should bother with it."

We cannot, again, discover either imagination or a grasp of the business situation in the reply of railroad officials to Westinghouse's plea for a trial of his air-brakes, that they

had brakes which worked quite satisfactorily; nor in the refusal of those interested in cotton to accept Whitney's gin; nor, again, in the refusal of steel producers to buy Bessemer's rights; nor, once more, in the appellation, "that old fool," given by the business men of Duluth to Merritt when they refused him permission to make Duluth the terminal of his iron-ore railroad. These replies do not indicate leadership in the business world.

We are prone to underestimate the ability of great leaders. When all the facts are before us and success has been achieved, the right course of action seems so plain that we easily believe the plan must have come spontaneously to the leader's mind. Thus, success is thought to be the result of "will-power," energy, and audacity, rather than of knowledge and of judgment based on knowledge.

"How often," Napier once observed, "have we heard the genius of Napoleon slighted, and his victories talked of as destitute of merit, because at the point of attack he was superior in numbers to his enemies! This very fact, which has been so often converted into reproach, constitutes his greatest and finest praise. He so directed his attack as at once to divide his enemy, and to fall with the mass of his own forces upon a point where their separation—the distribution of their army—left them unable to resist him." This was constructive imagination based on knowledge.

At the opening of his first Italian campaign Napoleon had only twenty-four light mountain guns, a small number of horse, and a ragged, half-starved infantry inferior in number to that of the enemy. Yet, so skilfully did he manœuvre his forces that, in every important engagement, he outnumbered and outfought his adversary. These plans were the product of the imagination working with the raw material of knowledge that Napoleon was always accumulating and using in his decisions. But he gathered his information rapidly because he knew what to look for, and

his decisions and actions followed quickly. He did not adopt the line of least resistance. This was one reason for his success, since his opponents, anticipating the old well-known and long-practised methods of attack, always met the unexpected.

Lord Fisher has emphasized one of the essentials of leadership in the stress which he has put upon audacity. But, in his fondness for exaggeration, he has made this necessary quality of leadership almost synonymous with insubordination. Mere disobedience of orders is not a virtue. Only when violation of instructions is founded on fuller knowledge than the officer in supreme command has, is disobedience justified. And only under these conditions did the great naval commander, of whom Lord Fisher speaks, disregard the orders which he had received.

"Nelson was nothing if not insubordinate," says Fisher in his *Memories*. His "greatest achievements were all due to his disobeying orders." And then he gives a partial inventory of Nelson's insubordinations. He disobeyed Sir John Jervis at the battle of Cape St. Vincent. He disobeyed orders to retire at Copenhagen. He disobeyed the rules of war in beginning the battle of the Nile at night with no charts, and he began the battle of Trafalgar in a formation contrary to all orders at that time.

As a matter of fact, Sir Hyde Parker, who was in command at Copenhagen, was convinced that Nelson was beaten and, consequently, ordered him to retire. But Nelson knew that he was not beaten and so continued to carry on regardless of signals to withdraw. And, again, at the battle of the Nile, Nelson was pacing the deck of his ship when the lookout at the masthead reported ships at anchor in the river. "It's the enemy's fleet," exclaimed Nelson. "Set sail at once."

When Nelson issued his orders the French admiral was also walking the deck of his flagship. "Sails at the mouth of the river," cried the lookout. "It's the English fleet,"

said the French admiral. "But they won't come in to-night. They have no charts." But Nelson did go in. He did not follow the line of least resistance, as the opposing admiral thought he would. He went in without charts and in the darkness, because he understood human nature. He knew that he would not be expected. And so Napoleon wrote: "But for Nelson at the Nile I should have been the conqueror of the world."<sup>1</sup>

Another writer,<sup>2</sup> however, has estimated Nelson more accurately than did Lord Fisher. "Nelson, we are often told, never measured risks," says Corbett, "but nothing was really farther from his character than such folly. . . . He faced risks, measured them with consummate tactical insight, and provided a means of discounting them that was without precedent." At one time, Corbett continues, "his unmatched eye for a battle had seized a weakness in the enemy's position and with perfect mastery he meant to deliver his attack accordingly." So he reverted to a long-discredited formation to meet the exigency of the moment. "Leadership could not well rise higher."<sup>3</sup>

The explanation of Nelson's disobedience of instructions is that he was an immensely bigger man than any of those who gave him orders. Who remembers the names of the commander-in-chief in any of Nelson's battles? In all of these cases only one name stands out—and that is Nelson's. What, then, was it in the case of this great commander that made him so superb a leader? What was the secret of his personality that made his mere presence in command worth many ships and countless sailors?

Lord Fisher has answered these questions by naming self-reliance, fearlessness, initiative, and fertility of resources;

<sup>1</sup> The French admiral blew up his flagship, the *Orient*; and Casabianca, the captain, and his son are the theme of "The boy stood on the burning deck."

<sup>2</sup> *The Campaign of Trafalgar*, by Julian S. Corbett, p. 349. (Longmans, Green.)

<sup>3</sup> *Ibid.*

and all of these virtues Nelson surely had. It is, of course, useless to try to catalogue the qualities of genius. There is always an elusive something which cannot be discovered in the analysis. But we may, nevertheless, delve a little deeper into personality than Fisher did. Nelson studied the situation that confronted him. To be sure, he grasped it quickly, but rapid analysis was possible with him because from early manhood he had made it his business to analyze and understand problems of naval strategy and tactics. Consequently, no plan which the enemy could adopt was new to him. He saw its purpose from the beginning.

Then, again, Nelson was one of those rare men who do not follow the line of least resistance. The rule of action in a given emergency, the accepted way of meeting it—in other words, the conventional—is always the line of least resistance, and this is the manœuvre that opponents of moderate ability expect, and which they are prepared to meet. In the battle of the Nile, for instance, the rule was decidedly against entering the river at night without charts. By violating the accepted rule Nelson knew that he would surprise all but the exceptional commander. And his knowledge of the French admiral had doubtless convinced him that this opponent was not that one exception.

But another quality is conspicuous in Nelson. Having analyzed the situation that confronted him, he selected a plan which, by its unexpectedness, would thwart the designs of the enemy. He always kept his adversary guessing. Napoleon followed the same method. Even while yet a young man the commander opposing him never knew what to expect. Napoleon's early campaigns show his appreciation of the factor of uncertainty. But always and everywhere his movements were based upon accurate knowledge, knowledge of the terrain, of the number of opposing troops, and, above all, knowledge of the military

principles and peculiarities of the enemy's commander. But this last factor is only another name for the beliefs and opinions of the man with whom Napoleon was going to transact his business. And this ability to see deeper than current opinions is one of the characteristics of leadership.

Now, as an indication of the diversity in the abilities of great leaders, let us turn to Henderson's estimate of various successful commanders. Speaking first of Grant, he says: "As a strategist he ranks high, but he was no master of stratagem. There was no mystery about his operations. His manœuvres were strong and straightforward, but he had no skill in deceiving his adversary, and his tactics were not always of a high order. It may be questioned whether on the field of battle his ability was equal to that of Sherman, or of Sherman's great antagonist, Johnston. Elsewhere he was their superior. Both Sherman and Johnston were methodical rather than brilliant. But patient, confident, and far-seeing as they were, strictly observant of the established principles of war, they were without a touch of that aggressive genius which characterized Lee, Grant, and Jackson."<sup>1</sup> And this same aggressive nature which grasps in one view the larger, more fundamental aspects of a situation we have found true of leaders in the industrial and commercial world.

When one reads military history another fact of tremendous importance for leadership stands out conspicuously. Every great leader has his crack brigades. "The [men of the ] Thirteenth Division," Sir Ian Hamilton says in his *Gallipoli Diary*, "were not reliable at Helles, whereas now, under Godley at Anzac, they have fought like lions." And our own Washington, on January 9, 1777, wrote to Colonel George Baylor as follows on the choice of officers: "Recollect also that no instance has yet happened of good or bad behavior in corps in our service that has not originated with the officers."

<sup>1</sup> Stonewall Jackson, vol. II, pp. 602-603. (Longmans, Green.)

Fighting Joe Hooker's famous old fighting division is another bit of evidence for the view that a leader produces the morale of the men under him, else they have none. In the battle of the Wilderness "Mott's division behaved badly; it broke and ran. This is a curious instance of a change in morale, since it is Hooker's old fighting division, but it had lately been under two commanders of little merit," so ". . . this once crack division has conducted itself most discredibly."<sup>1</sup> Later this division, irresistible under its former great commander, had to be broken up. "A sad record for Hooker's fighting men!"

Napoleon also led to victory men who had met only defeat under other generals. But, great as was Napoleon in strategy and tactics, it was not alone his skill in manœuvring forces that won his victories. The men under him—the subordinate officers and common soldiers—fought as they never fought when commanded by other generals. Napoleon remodelled his soldiers, and, having made them over individually, he formed the mass into an irresistible fighting organization.

Hannibal and Cæsar, again, took a rabble of ordinary men and made them into armies that would go wherever they led them. When told that he could not take an army across the Alps, Hannibal exclaimed: "There are no Alps."

A marvelously fascinating scene—this picture of the Carthaginian and Roman—when viewed in retrospect! Each gathered a large body of men who were willing to risk their worthless skins. A lot of peasants without political principles, ready to follow the fortunes of their leader. Such material is certainly not very promising for building a conquering army. Yet that is what Hannibal and Cæsar did. Under their leadership these men endured indescribable hardships because they were following a leader in whom they had supreme confidence!

<sup>1</sup> *Meade's Headquarters, Letters of Colonel Theodore Lyman*, pp. 93, 114. (Atlantic Monthly Press.)

“Cæsar,” says Plutarch, “was so much master of the good-will and hearty service of his soldiers that those who in other expeditions were but ordinary men displayed a courage past defeating or withstanding when they went upon any danger where Cæsar’s glory was concerned.” That was leadership, and yet this confidence was not won by military strategy alone. Cæsar looked after the interests of his men. Like Washington, he was thoughtful of their personal welfare, and the soldiers of each of these generals fought to the limit of their endurance and ability.

After all, leadership is much the same whether it be in the army or business. One fact stands out in the control and direction of men. Certain business organizations, like armies, have their famous “brigades.” In business, these brigades are the selling force. Now the belief is rather prevalent that the explanation of the varying successes of these brigades lies in the men. But a glance at the history of military achievement has given convincing evidence that this view is wrong.

When one looks over those who do the world’s work a remarkable fact is observed, namely, that there are always intelligent subordinates wherever there is an intelligent leader. A leader generates intelligence in those under him. A manager therefore only accuses himself when he says that his sales force is inefficient. Salesmen adopt habits of ease because of the example that is set them, and they do not apply their intelligence because there is no special incentive from above.

Intelligence is contagious because every man has much more than he ordinarily uses; but it is catching only in an atmosphere of freedom—freedom to think, to suggest, and to act independently. This is the reason why the American soldier accomplished so much on the battle-front in Europe. When the officer in charge was killed, the subordinate next in line assumed command. He was

not an unintelligent part of a machine. Perhaps we may find in this a suggestion toward the definition of a leader. To tap a continuous flow of ideas and thoughts in those with whom one works so as to draw out the best that is in them, to create in the men a feeling that they are being intelligently led, and that the plans of those in control are worth their best efforts, to give subordinates the conviction that intelligence will be appreciated and lead to advancement, to make them see that they are coworkers with those over them in a great organization—this is leadership.

Not long ago the writer heard an enthusiastic teacher describe her pupils to some young men and women who were about to take charge of their first schools. Her children, this teacher said, were so anxious to work that they kept her busy answering questions and directing their study. Matters of discipline never troubled her because the children were always working.

“Oh, I wish that I might get such a school!” exclaimed one of the prospective teachers. But the present writer, who was chairman of the meeting, had to say that such a school does not exist until the teacher has made it. And so it is in business. A sales force is created out of an aggregation of young men, just as Hannibal converted a mob of peasants into an irresistible army.

“My business is different; the plan proposed will not work. My sales force does not have the initiative nor resources to make it a success,” is a remark commonly heard. But this, again, is only another attempt of the manager to excuse his own incompetence. Men have just so much initiative and just such resources as their leader draws out of them. Failure to have an effective organization means inefficient leadership.

The “pep” method of getting results is another way of compensating for weakness in leadership. When a manager does not know what else to say or do he calls a meeting

of his sales force and stages an inspirational performance. Hurrah! is stimulating when men are going to meet a single, isolated emergency. It is effective on the football field if the team is being beaten and is despondent. But it has no lasting qualities. It has the momentary effect of wine which may be given to an athlete to recoup his waning strength for one last tremendous effort. But, like wine, again, it has no staying qualities. In the business world, as elsewhere, those who can, do, while those who can't, talk.

Most men are willing to work when they can see results and when they know that their success will be appreciated. Willingness and capacity to rise to responsibility are human characteristics. Putting responsibility upon men is the most effective way to release productive mental forces. When responsibility is put upon men they sometimes find, to their own amazement, as we have seen, that they are equal to it.

Patrick Henry is a good illustration. He had failed in business, failed in farming, and failed a second time in business. Then, as a last resort, he tried law, and, though neither he nor his friends had any hope of his success, the rest of his life is the story of a marvelous leader.

General Grant also grew with the responsibilities that were put upon him until he was prepared for any military situation. Before the war he had not been a success in anything. He was practically "down and out" when he applied for a position in the army. And military historians do not praise his strategy from the battle of Shiloh to the beginning of 1863. He did not know the geography of the ground over which he was fighting and he ignored climate. During one period half of his soldiers were in the hospital, and the other half on their way there, knee-deep in mud and water. But Grant had one important characteristic of success. He criticised himself so that he did not make the same mistake twice. His errors were a preparation

for the future. He was one of those rare men who learn from experience.

Applied intelligence is a scarce commodity in the market. Business men are always looking for it but rarely find it. A short time ago a salesman told the writer of one way of arousing energy in men and getting them to apply their intelligence. "Our manager," he said, "works with us instead of over us."

Knowledge is too lightly esteemed by business men. The uninformed try to compensate for their inadequacy by a pretentious physical or vocal exterior. They do not do this consciously. Indeed, they do not know that they lack the knowledge needed for fertility of resources. This is an interesting and important fact of human nature. Absence of knowledge does not usually reveal itself to one so afflicted. It is like a hidden disease that causes no pain.

One suffering from such a defect, however, is vaguely aware that he lacks some essential quality of leadership, and he endeavors to hide his deficiency by a smoke screen. So he blusters, or, in moments of defeat, vents upon subordinates the anger caused by his own failures. Yet subordinates, as we have seen, are always what the leader or manager has made them.

In every business, just as in the army, there comes a time when hopes are disappointed. Such a period of stress tests a leader's ability to maintain the morale of the organization. In many respects it is comparable to retreat on the field of battle. And a retreat, Napoleon once said, is more costly "than two battles," because it tends to disrupt morale—to destroy the faith of the soldiers in themselves and in their general. But, though "Jackson's army retreated for seven days before Fremont," Henderson says,<sup>1</sup> "dwindling in numbers at every step, it never fought better than when it turned at bay. From first to last it believed itself superior to its enemies; from first to last it was equal

<sup>1</sup> *Ibid.*, vol. I, p. 509.

to the tasks which its exacting commander imposed upon it, and its spirit was indomitable throughout."

"But it was not only confidence in the skill of their commander that inspired the troops," continues Henderson. "It was impossible not to admire the man who, after a sleepless night, a long march, and hard fighting, would say to his officers, 'we must push on—push on!' as unconcerned as if his muscles were of steel, and hunger an unknown sensation. Such fortitude was contagious. The men caught something of his untiring energy and his unhesitating audacity."

Too many men, young and old, feel that the conditions are not right for what they want to do. But history is filled with lamentations of those who just missed being leaders. McClellan was always training his troops, always calling meetings of his sales force, so to speak, always preparing, always waiting for a more favorable moment to move. And, of course, the favorable opportunity never came. Lee repeatedly took chances which were based on the conviction that McClellan would wait for a more advantageous moment before moving his forces. "Neither Lee, nor those generals about him who knew McClellan," says Henderson, "were in the least apprehensive that their over-cautious adversary would either see or utilize his opportunity." And Joseph E. Johnston's career, to cite another instance, "consists of things he would have done, if circumstances had been different."<sup>1</sup>

The gods are always on the side of the heaviest artillery, Napoleon once remarked, but, in the final analysis, brains and knowledge are behind the guns. During the early part of our Civil War the brains of two great leaders did more for the Confederacy than 200,000 soldiers were able to do for the Union. "Without quitting his desk, and leaving the execution of his plans to Jackson, Lee relieved Rich-

<sup>1</sup> *Confederate Portraits*, by Gamaliel Bradford, p. 6. (Houghton Mifflin.)

mond of the pressure of 70,000 Federals," Henderson says, and "placed the remainder in the position in which he most wished to find them." And it was not until Lee met Meade, who also believed that battles depend more upon brains and knowledge than on sabres and guns, that he went down in defeat. "To take a beaten army from a beaten commander," as Meade did, says Bradford, "and at three days' notice fight a battle against troops like Lee's under a commander like Lee, was as hard a task as was ever imposed on mortal man in this fighting world. Meade accepted it without a murmur and saved a nation."<sup>1</sup>

This was leadership upon which business men may well reflect. Beaten soldiers refusing to accept defeat when an organizer of victory was at their head! It is not the men in the ranks who fail. It is their leader. When factory or sales efficiency crumbles, investigate the "high command."

We have been discussing certain phases of human psychology, and we have found that most men of fair intelligence are ready to move forward if they have a leader in whom they have confidence. But there is always the tendency to adopt fixed habits of thought and action—to become static. It is easier to remain where one is than to go ahead. Repetition is simpler than discovery. Usually a strong stimulus is needed to release one's dormant mental forces. Such a stimulus may be, in exceptional cases, the call of a great cause, but it is more likely to be the stimulation of a splendid leader.

Certain conditions must be met, and man, like the lower animals, meets them with the least possible expenditure of energy. Naturally, actions which do not produce results are eliminated and new plans are adopted until at least the minimum of success is attained. But this does not produce efficient managers. It does not qualify for leadership.

<sup>1</sup> *Ibid.*, pp. 254-255.

When we try to discover the qualities that make up such leaders as Hannibal, Cæsar, Napoleon, Nelson, Jackson or Foch, we can at most isolate only the more conspicuous elements of their power. But, at all events, self-reliance, fearlessness, initiative, and fertility of resources must be based upon something solid. In other words, a leader requires superior knowledge as the foundation upon which to build. Self-reliance and fearlessness may rest upon nothing more substantial than inflated confidence, but fertility of resources needs a well-filled storehouse from which the building material for plans of action may be drawn.

There is no record of a leader who maintained his supremacy for any length of time who did not have the qualities which we have observed in those whom we have mentioned. Men have shot up with the suddenness of a skyrocket and held power for a brief period, without the knowledge needed for intelligent audacity and imagination, but they did not last.

Self-reliance, fearlessness, fertility of resources, and initiative, without knowledge, but with the aid of that protection which the gods are proverbially reported to bestow upon fools, may give the unequipped business manager or military leader a short respite from destruction. But, in the long run, luck and the protection of the gods may be eliminated from the equation of success.

In the same way as we underestimate the preparation of leaders who, with study and thought, have won victories on the battle-field without apparent effort, so also do we pay slight tribute to the explanation of the achievements of those whose knowledge, imagination, and insight have given us the conveniences which to-day contribute to our pleasure, our leisure, and our work. The telephone and telegraph, subways, storage and distribution of water for irrigation, the X-ray, wireless communication, and the radio, seem commonplace, so familiar are they to us. Yet, their conception was the result of imagination and

calculation based upon knowledge accurately acquired through study, reflection, and criticism. But the criticism was always looking forward to new attainments.

Finally, the great leaders to whom we have referred, did not try to excuse their mistakes with words. Their ability made it unnecessary for them to offer verbal compensation for inefficiency. They did not harangue their troops. They did not stage inspirational performances. They got their information, thought it through into clear, accurate knowledge, and then acted.

Pretenders to leadership are like hot steam spurting from a pipe. They make a great noise and stir up a commotion. But when all is over only confusion remains. Real leaders have poise, because they possess knowledge, and know how to use it. Their knowledge gives them an abundance of fertile resources, and puts intelligence into their initiative and self-reliance. They speak with actions rather than with words. And their ability to achieve results inspires those under them with the determination to be worthy of such leadership.

NATIONAL INSTITUTE OF HISTORICAL RECORDS

## CHAPTER X

### MENTAL EFFICIENCY

MEN at their best are hardly more than sixty per cent efficient, and on the average—well, perhaps we had better not speak of that. It would be too discouraging.

“The hardest thing in a growing business,” said a man who, having begun in a small way, is now president of a corporation that does a business of \$10,000,000 a year, “is to find men who are looking for ideas. It is not difficult to obtain hard workers, but intelligent workers—those who do not think and act in ruts, who can look into the future, and plan the business changes that the altering conditions will demand—that is where the rub comes, and at times I feel completely discouraged.”

As this is being written, the daily press is featuring the laying of the first section of the new type of cable that will connect the United States with Italy. The ordinary cable rate of transmission is 250 letters per minute, and the question which President Carlton had to decide was whether the Western Union should take a chance on an electrical theory which had been proven so far as experimental tests could decide. But experimental tests are over comparatively short distances, and there might be some flaw in the theory for a distance of 2,360 miles to the Azores and 4,704 miles to Rome.

Some of the advisers of the company opposed the risk. It was a dangerous chance, they said, to stake \$4,000,000 on a theory of engineers. As a matter of fact there was no risk. The objections and fears were purely mental. Habits of thought and human inertia were against the change. This is the way the human mind works when it

does not want to accept the new. It conjures up all sorts of absurd and unreal difficulties and objections and then proceeds to get frightened at them. And so it was in this case, since the distance to the Azores and Italy was provided for by the tests of the consulting engineers in the various ways that modern science has found. Perhaps the word "resistances" will convey the method to the reader. Resistances of any desired degree can be introduced into the circuit until they will reveal the distance which a current can travel and still remain sufficiently effective to produce legible signs. But the mental resistances which are as strong in the mind as the resistances to the passage of electric currents in the wire, continued operative. Play safe was the advice, but by playing safe time and money might be lost, because the old type of cable was inadequate for the future. And so President Carlton decided to rely upon the engineers, and he won. The section to the Azores is now completed and, when connected with the new high-speed terminal equipment which engineers also invented, it showed a capacity of 1,700 letters with legible signals per minute against the 250 per minute of the discarded cable.

The greatest obstruction to efficiency, as well as to progress in general, is the mind itself. An American psychologist wrote not long ago, that the human brain and mind are about the most inefficient organs for thinking of which we can conceive. Of course, believing in evolution as all informed men do to-day, the explanation is quite clear. An order was not placed by the builder of the universe for a human brain conforming to certain specifications which the omniscient Architect saw would make a perfect mind. Man has evolved, and in the course of his evolution he has retained certain characteristics of his lowly ancestors which were not so detrimental to survival as to require their elimination.

The physical survivals—rudimentary or vestigial organs

they are called—are the most obvious. The coccyx or remnant in man's skeleton of the tail of the lower animals is an illustration. And another, the appendix, is good for nothing except to be cut out. There are upward of two hundred of these rudimentary organs in man. Some of them in the process of evolution have been turned to other uses, but their old function has been discovered by physiologists. One of the gill arches of fishes, for example, has been converted into the eustachian tube which connects the middle ear with the throat, and equalizes the air pressure on both sides of the ear-drum. Another organ no longer used by man is the conjunctiva—the little white membrane in the inner angle of his eye. In birds this membrane is a third eyelid which serves much the same purpose as the cleaner of an automobile windshield during rainy weather. Some of the readers who lived on the farm as boys may have seen this white eye-cleaner shoot across the eyes of chickens.

If physical organs were the only ones that man inherits from his animal ancestors, it would be unnecessary to refer to them in a chapter on human efficiency; but man also inherits his brain, and with it his mind. When we realize this we understand why men are suspicious of everything that is new and strange, why they carry caution to the point of mental inefficiency. We also see why they do so little thinking—a comparatively new mental activity in the evolutionary process; likewise we learn why men are illogical when they try to think, why they do not get all of the needed information before acting; and, finally, why they are strongly inclined to do what they want to do, to gratify what we call the lower instincts, and to jump at conclusions. But it will be observed that man usually jumps at the conclusions which he wants to believe just as the animal does after a little effort to draw the right conclusion, and play safe.

Not only are human mental processes developed from

those of lower animals but the emotions also have the same origin. Indeed the psychology of man can only be understood by recognizing the source of all of his intellectual and emotional behavior. Only in this way can we see why he makes the same mistake when conditions are superficially the same, why the errors of history are repeated, and why he follows persistently and often disastrously his own earlier experience just as do the lower animals.

Probably the best single statement of intelligence is the ability to adjust oneself quickly and successfully to new and changing conditions. The lower animals adapt themselves to varying conditions unless too great change is demanded. If birds do not find their usual nest-building material they select something else that will answer the purpose. Again, the beavers perform astonishing feats of construction with the material which they use, and their adaptation to changing conditions is so remarkable that it suggests intelligence of a high order.

When we view the reactions and behavior of men, we are often struck with their lack of intelligent adaption under conditions which do not put intelligence to a severe test. We frequently hear a man say, "If I had only thought before I did it"; but that is just like animals; they do not think. The writer, of course, does not claim that animals or primitive man are capable of the thinking of even the average civilized man, though some of the half-developed races have produced individuals whose logical thinking was far superior to that of the average white Occidental. And the psychological tests given to the American army during the World War revealed an amazing variation of ability. Some of the recruits showed an intelligence as low as that of the most backward races.

On the other hand, there have been not a few American Indians who demonstrated that they had intelligence and capacity to think of so high an order as to be comparable with the best of the white Occidentals. And there is

abundant evidence that the men who lived 25,000 years or more ago were not inferior to modern man in the ability to see the meaning of experience and to adjust themselves quickly and successfully to the changes in their environment.

The inventor of the bow and arrow, for example, had quite as keen an intellect as the inventor of the modern rifle. And the discoverer of the use of hook and line for catching fish for food was not inferior to any modern inventor. These men were building their civilization; they were interpreting experience.

We say that the animals use the failure and success method—that they try some way of meeting an emergency; if it is successful they continue to use it, and if it fails they try another way. But this is exactly what the young child does whether in its play constructions or at its studies. If, for instance, one method does not work in a mathematical problem, the child tries another. And this is also the way in which men often work. Indeed, men follow the animal method too commonly and too exclusively. They do not think their problems through; they do not bring an exhaustive fund of knowledge to bear upon the question; they do not estimate experience impersonally; they tend to follow the animal method of trial and error.

Perhaps the first defect in the mental machinery of man to which attention should be called is the tendency to continue in the beliefs and opinions which one already has. These opinions have been acquired in various ways; some have been gained by what we are accustomed to call experience, but in a large majority of cases experience means that one has drifted along through one's professional or business career, meeting emergencies when they have arisen in the simplest and easiest way at the moment. "Men are too lazy to try a new method if it means a little extra trouble," was the severe judgment of an alert business man

in a recent conversation with the writer. "They continue to do things as they have been doing them until they reach a crisis and then they find fault with conditions instead of blaming their own indolence."

Now this tendency to repeat thoughts and actions until they become so firmly established that only a severe mental wrench will change them, is one of the tendencies which we have inherited from our animal ancestors. Animals *must* repeat their actions. Any marked deviation from inherited ways of doing things would be fatal. Each species of animal has its own ways of conducting the affairs of its life, and of meeting the emergencies and dangers that arise. The lower in the scale of evolution an animal is, the more closely must it conform to fixed methods of behavior. Nature has decreed this through its inexorable law of natural selection and the survival of the fittest. Survival demands conformity, and marked deviation from the inherited behavior of the species would mean destruction.

The reason why the lower animals must conform rigidly to the ways of their fellows is that animals cannot think. They have never invented fire, and for that reason they are obliged to protect themselves from the cold of winter by burrowing into the earth, by migrating to a warm climate, or by some other inherited means.

When we observe animals a little below man in the evolutionary scale we notice some rather striking variations from what seem to be inherited actions. Foxes are clever in getting the bait from traps without being caught. Arctic foxes are reported to dig down under the snow and spring the traps from underneath so that they can secure the bait with safety. Though stories of the wonderful feats of animals should be looked upon with suspicion, it is a fact, nevertheless, that the higher animals vary more than those below them in the way in which they meet the troubles that come to them in the transaction of their

business which, as with man, is chiefly concerned with getting a living.

The reader will have noticed that animals high in the evolutionary scale are more efficient than those below them. They can adjust themselves more quickly and more successfully to new and changing conditions. And it will be observed that this increased intelligence accompanies improvement in the nervous system. The more complex the nervous system the greater the ability of the animal to grapple with emergencies.

Though the lower animals never made tools, there is some little evidence that they have at times used stones for pounding, and the *Pithecanthropus erectus*—the oldest ancestor of man whose remains have been found—seems to have made some weapons of flint. He also stood fairly erect<sup>1</sup> though he lived some 500,000 years ago.

We have referred to evolution and to the relation between intelligence and the nervous system, to enable the reader to see that when man first appeared, though he had a better-developed brain than his simian ancestors, he nevertheless retained many of their physical and mental characteristics. On account of his physical heritage man suffers afflictions caused by the strain of the upright position. The visceral organs have not yet become fully adapted to the erect position, and consequently human ills result. And since man's brain and mind are also inherited from his animal ancestors, his thinking may also be said to suffer defects which can be traced to his inherited traits. An illustration will make this clear.

The thinking done by animals is of the associative sort. Associative thinking assumes that because two events occur together they are in some way related to each other. If one event immediately precedes another, the first is assumed to be the cause of the second. The reader is, of course, aware that this tendency in lower animals is

<sup>1</sup> *The Evolution of Man*, by Richard S. Lull and others, p. 14.

utilized in training them, and that in setting traps care must be taken to avoid everything which is usually associated with danger.

Now man has inherited this tendency from his animal ancestors. Whatever immediately precedes an event is likely to be assumed as its cause. Potatoes or wheat advance, for example, because of short crops elsewhere, yet farmers assume that the party in power is the cause of the advance in price. Politicians utilize this human characteristic by ascribing hard times to events which immediately preceded the depression, though these events may have had nothing to do with them.

Associative thinking—the tendency to relate as cause and effect events which occur together or follow one another—is one conspicuous cause of inefficient thinking. Accurate thinking requires that the meaning of occurrences be clearly seen. Real relationship and connections should be discovered. Of course, this demands that situations be analyzed, that the contributing factors be discovered, and that the associated facts which have no necessary connection with the situation be seen to be incidental and unessential.

Interpretation—thinking—involves criticising and estimating the value of facts. Merely living through events, observing and noting them, does not give us valid knowledge. Experience tends to organize itself unless one takes a hand in interpreting and understanding it. The lower animals are incapable of examining and classifying their experiences. They cannot consult books to ascertain whether the particular odor which they now smell comes from food alone or whether it indicates danger from traps or men. Deer know nothing about the open season, but they wander more boldly and recklessly during the closed period than when they are liable to be shot legally. They associate freedom of movement with the closed season, because during those months in past years they have

not been disturbed. Animals, not being able to think, must accept experience at its face value. Their inherited tendencies and acquired habits govern their actions. They "stand pat."

But man can, if he will, examine and criticise his experience. He can ascertain why his business has not prospered as he wishes; why, if a salesman, he did not succeed in selling to a certain prospect. When a fox, on the other hand, fails to win a prospect and loses a meal in consequence, he cannot analyze his method of approach, decide that he erred in certain essential matters, and determine to avoid those mistakes in the future. To catch a fox in a trap, it is only necessary, if prospects are abundant, to give the trap the appearance of a good bargain. But this likewise is all that is necessary to catch a man, as is shown by the continued success of long-practised swindles.

Every one knows how easy it is to catch even intelligent men with tricks that are nicely camouflaged. Perpetual-motion machines are an illustration. Thirty years ago a man by the name of Keely obtained millions of dollars from hard-headed business men for the purpose of perfecting his perpetual-motion machine, and at his death the walls and floors of his "laboratory" were found interlaced with electric wires by which the "perpetual motion" of his machine was made possible. Scientific facts and principles counted for nothing with those who wanted to believe. Experts who told these investors that perpetual motion was an absurdity were regarded as impractical theorists; yet subsequent events proved that these practical business men were as uncritical of the situation as foxes are when tempted by a trap. They did not use available knowledge in their judgment of the case. They accepted appearances at their full value. But this ready acceptance of superficial evidence ignores the mental processes which have evolved in the course of man's

development. Analysis and criticism are thrown aside with facile acquiescence in external objective appearances. It is a return to the animal method.

In 1920, to give another illustration, the following prospectus of the so-called California Ranching Company was posted as a joke in the windows of an Eastern bank:

### EXTRAORDINARY OPPORTUNITY

"We are starting a cat ranch in California with 100,000 cats. Each cat will average twelve kittens each year. The cat skins will sell at thirty cents each. One hundred men can skin five thousand cats a day. We figure on a net profit of ten thousand dollars a day.

"To feed the cats, we shall start a rat ranch next door with 1,000,000 rats. The rats will breed twelve times as fast as the cats. So we will have four rats to feed each day to each cat, and we will feed the rats the carcasses of the cats after they have been skinned. The skins of the cats will cost us nothing.

"Shares in this epochal enterprise are now selling at five cents each, but the price will soon go up. Invest now while the opportunity knocks at your door."

(Signed) CALIFORNIA RANCHING COMPANY.

This prospectus, published as a joke, was taken so seriously by men with money to invest that it was removed. Sixty men in good business standing applied for stock during the first day. Evidently tricks will catch men about as easily as they will deceive foxes or monkeys. Little or no thinking is done. A wildcat investment programme, a Blonger whose confidence-gang took \$420,000 out of Denver in 1921, and a Ponzi who showed how easily Boston investors take the bait when the trap is skilfully arranged, seem to justify the statement of the District Attorney of Denver "that the birth-rate of suckers is considerably better than one a minute. Almost any of the spectators at the trial,"

continued the prosecutor, "would have fallen just as hard as did the victims they heard testify."

"It is so easy to fool the hard-headed business men that you would hardly believe it," remarked a reformed member of the "con" fraternity when his attention was called to the cases mentioned above. Perhaps this readiness to be victimized would be of little importance if it did not reveal something deeper in man than willingness to take a chance when large returns are offered. But, unfortunately, it is only an illustration in one line of the human tendency to accept appearances without investigation—to estimate situations by their most conspicuous aspects: and the result is failure to understand the cause of the red ink on the balance-sheet, or the reason for the dissatisfaction of employees in the plant.

Man has no inborn faculty that drives him to investigate. Curiosity, of course, he has, but so have the fox and the monkey. Curiosity may end with its superficial gratification. "What makes the watch go?" asks the young child, and the answer, "The wheels and mainspring," usually satisfies. And so are men prone to be content with obvious, shallow explanations.

Something was added to curiosity when prehistoric man began to experiment with the bow and arrow and to make tools; and that something was a desire to contrive and fashion for a purpose so definite that reasons for failure had to be considered. When weapons of stone did not hold their point or edge, there was a reason for it, and something harder had to be found.

Investigation of causes is difficult work, and a compelling motive is needed to induce one to exchange the comfort of the office chair for the rigorous demands which any investigation requires. It is much easier to accept vague phrases as explanations, and this has been one of the chief obstacles to accurate thinking ever since man began some hundred thousand years ago to learn to use

the mind which his animal ancestors had bequeathed to him with all of its inherited imperfections.

Radicalism is one of the vague phrases in common use to-day, and it covers many sins of loose thinkers. It is the satisfying explanation for trouble in the factory, and, under various aliases, it has even been thought to have stealthily entered the office to the serious disturbance of the work. But that is what the thinkers of the past were called—the men who signed the Declaration of Independence, and those who made the scientific discoveries from which we profit.

The radical view of to-day is the accepted opinion to-morrow; and the following day it is so universally admitted that it is a truism which no one ever questions. The old is thought "safe" because we do not know the meaning and possibilities of the new.

To be convinced by conventional words and phrases, to hear them as words of wisdom, is a mental characteristic inherited from ancestors who accepted mystical obscurity as a sufficient explanation of all the perplexing difficulties in the daily life of primitive man. Progressives—doubters—were not tolerated in earlier days. Established tribal belief and nature were the censors of men's actions, and they were exacting judges. In primitive times men were not sentenced to thirty days in jail for contempt of court. Contemptuous scorn was the penalty for violating tribal custom, and for denying nature's authority it was death. The laws of conformity and of the survival of the fittest were inexorable.

Conformity is therefore in the human blood. Variation is dangerous, or at least it is so thought to be. Our legal procedure is decades behind the times, and business men follow the safe and sane methods of the founders of their business because of the ingrained fear of adopting a new policy. When the need of justifying their "stand-pat" policy arises, these men conjure up terrifying phantoms of the

disastrous effect of change and then proceed to rationalize with vague phrases that deceive no one except themselves. "Whenever a new plan or policy is proposed, business men get frightened," remarked the president of a large corporation to the writer. But this is not efficiency.

Adaptation to conditions which one must meet, as we have said, is the practical test of intelligence, but in human life this adjustment should be versatile—adaptive to new and changing circumstances. Human beings, like the lower animals, struggle to adapt themselves, and in both cases the tendency is to make the adjustment to a static set of conditions. This was necessary in the early history of man when variation involved the risk of life, and it was permissible forty years ago when conditions were less changeable. But to-day changes are so frequent and sudden that one who consistently adapts himself to static conditions is courting failure. Professional and business men must keep up with the game.

But keeping up with the game involves more than merely the desire to do so. Man not only tends to adjust himself to the conditions which confront him but he also continues this form of adaptation. This, we have said, is a part of his animal inheritance, and consequently a mental defect for which man is not responsible, but against which he must incessantly be on guard if he is to be efficient. Indeed, to be on guard is hardly sufficient, because the conservatives in business as well as in other affairs of life are constantly on the offensive. "Frills," "visionary," and "impractical," as we have said, are common words in the business world to-day. A prominent psychologist asked a public-service corporation to finance tests of ability of applicants for their work. But the company's employment department replied that their experience had not convinced them of the need of any such tests. In other words, the officials do not care to try to improve their method of selecting employees, though,

aside from the expense of hiring and firing, this public-service company may suffer heavy loss from lawsuits caused by the mistakes of men unfitted for the work. Let things go as they are until they break down because of inadaptability to new conditions, is the business policy. "Beware of visionary, impractical ideas." Yet theorists have given industry its inventions, and they have given commerce the ideas which brought to it a world market. The market was there, but it needed theorists to prepare the way with inventions.

"Without Newton's discovery of the law of calculus," said President Fields in a recent address before the Royal Canadian Institute, "we should not have the electric light, the power-house, the telephone or the telegraph. Navigation, aviation, the X-ray, even the adjustment of our clocks and watches, depend upon the use of the formulas of calculus. And calculus goes back to the invention by Descartes of analytical geometry. In the epic of human progress, the recurring note is the successive dependence of one man's work upon another's," and upon the discoveries made by "visionary theorists."

One reason for failure to adapt ourselves to the new conditions which arise as we push on into the future, is that there is no standard of success. There was no accepted measure of intelligence before Binet invented one, and the results of the tests that followed showed an amazingly wide variation in the intelligence of youths. Informed business men now know that those who seek employment vary in ability from morons to potential geniuses, and consequently alert employers test the general intelligence of applicants before giving them employment. Yet so slowly are ideas accepted that the great majority of business men continue to follow the trial and error—success and failure—method which man has inherited from his animal ancestors. Intelligence-tests are still thought by many to be fads and frills. But this attitude does not indicate

efficiency. It is only a form of the opposition to innovations which we have found characteristic of men in bygone days.

When we turn to business itself we find, again, no standard of success. In a given office the younger men adopt the methods and quality of work of associates or superiors, the grade of efficiency set for novitiates depending upon the prevailing standards, which may be high or low. Imitation rules, but this imitation is to a large extent unconscious.

Since the unconscious adoption of one's method and quality of work is a tremendously important fact for those who wish to become efficient, it should receive more than passing attention. Men who have already established their ways of working will probably not be influenced, because fixed habits are not easily changed, and rationalization always responds to the appeal for justification of inefficiency. A large number, however, of those in business are alive to the necessity of improving their habits of work. They realize that they have fallen into ruts, and deep ruts are hard to get out of whether one is in an office or an automobile.

The first thing to be remembered is that daily routine work organizes itself unless one takes a firm grip on the steering-wheel. If one is a manager, certain things must be done each day, but who shall do them? Naturally, the manager feels responsible, and the quickest way of getting things done is to do them himself. Consequently managers fall into the habit of doing many things which might be accomplished quite as well by a subordinate. "To fall into a habit," like many other colloquialisms, expresses a psychological fact. We rarely select our habits; they lie in our way and we fall into them. Methods of work are adopted unconsciously.

A manager who has not thoughtfully planned his work will find, by reviewing the day's activities, that much of

his time has been wasted. This does not mean that he has been idle, but it indicates that many of the things which he has done did not require his expert knowledge. In every large business, again, there is an inexcusable overlapping of duties and responsibilities. The head of a large factory spent several days trying to locate the responsibility for failure to meet the specifications of an important order. No department accepted the blame; each accused another; and in the end the general manager could not decide who was responsible. The explanation, as given by one of the departmental managers, was that the business had grown rapidly and that the various departments had encroached upon the authority of each other until no one knew where to place responsibility.

We said a moment ago that work, when not consciously planned, organizes itself. This was observed by thoughtful men during the World War, when men were scarce and those who stayed with the business had to multiply their efficiency several times. The head of a large New York house, for example, said that all of his men in responsible positions had to do two or three times their usual amount of work and make decisions much more rapidly; yet, so far as the president of this house could determine, the decisions were quite as satisfactory as when they were given much more time.

A still more striking case was related to the writer by the manager of a factory in which he supervised nine plants. When the United States entered the war he was made a captain in the quartermaster's department with supervision of one hundred and fifty plants. This manager thought that he was working to his limit when he managed the nine plants of his factory. "I never could quite catch up with my work," he said in telling of his subsequent achievement. "But during the war, with one hundred and fifty plants under my direction, I worked just as easily as when I was supervising less than one-sixteenth of

that number. In other words, I worked sixteen times as efficiently, but I did it by organizing my work instead of letting it mechanize me."

Evidently men in administrative and executive positions waste an immense amount of time. Two facts of supreme importance for efficiency should be noted in this connection.

First, men rarely use more than a fraction of the energy at their disposal. One reason for this is their bad physical habits which deplete their energy. A business man accounted for his lack of energy to his physician by saying that he was overworking, and the doctor replied: "From your story I can assure you that I am working several hours each day more than you, and my work is more wearing, yet I keep my health. The cause of your loss of health is not overwork; it is unhygienic habits. When you give the care to your health that I give to mine, you will be able to do twice as much without breaking down."

Another reason for failure to use one's available energy, reaches far down into the psychology of the race. From the time when man emerged, he has alternated between periods of great activity and of indolence. Early man rested and enjoyed life so long as he had an abundance of food and was not called to battle. Modern man cannot divide his time into periods of activity and loafing. Consequently, he satisfies the racial craving for indolence by working at low pressure until some emergency arises, when he puts forth all of his energy.

We see this illustrated by the physical strength shown when a house is burning and a frail girl carries her bedridden father down the stairs, though under ordinary conditions she could not even lift him. Men, again, who take little or no exercise through the greater part of the year, when away on a vacation exude energy from all their pores. They often climb mountains to the point of exhaustion, or they tramp through underbrush to fish and hunt until they are ready to drop. But the next day they are ready

for another outburst of energy. And then when the vacation is ended, they return to their physical indolence.

On the mental side, the parsimonious expenditure of energy is quite as noticeable as on the physical. Precedents are exertion-savers, and no one wishes to expend more energy than a situation requires. Consequently, all questions, difficulties, and complaints are settled by precedent, though every thoughtful man knows that no two cases or problems are alike. Most businesses are run by precedents. They are precedent-ridden, because it is easier and simpler to follow a rule than to treat each question that arises on its merits, mindful of all the peculiarities of the varying situations. But precedent is only another word for habits of thought and action established by fathers or grandfathers, and transmitted to their children's children.

Precedents are obstructions in the way of progress. When the United States Steel Company was told that a twelve-hour day and a seven-day week was a blot on civilization, the company replied, "An eight-hour day is impracticable for us." But why was it impracticable? Because the precedent was against an eight-hour day. The company had never done business on that basis, and a change would disturb the peaceful lethargy of the management. But the fact that the company has finally yielded to the insistent public demand, proves that the impracticability was mental rather than physical.

The second of the two significant facts referred to above in connection with efficiency is that man tends to make his adaptations unconsciously. He always does this unless he is conscious of the danger and continually guards against it. We have already spoken of this in connection with the organization of the day's work, but it has a much wider application. Man adapts himself to existing conditions, and these conditions then seem so natural that the need of change is incomprehensible.

The lower animals, we have said, must meet situations which are put upon them. They have no choice. They cannot change their environment. They are unable to look ahead and plan for the future. If the food of a given species disappears, these animals die. We frequently see illustrations of this among domesticated animals during a drought. They are prevented from wandering far afield, and consequently must feed within a limited area or perish. Nature also has at times deprived undomesticated animals of the food which they require, and consequently whole species have passed away leaving only fossilized specimens. The animals on oceanic islands are another illustration. These islands were once part of the mainland but have become separated by geological changes. Animal life on these oceanic islands is altogether different from that found in any other part of the world, but it most closely resembles that on the nearest mainland of which the island originally was a part. The explanation is that when, by submergence of the connecting land, the peninsula became an island, the animals thus caught had to adapt themselves to the new conditions. Some succeeded for one reason or another and lived to perpetuate their offspring, which was better adapted to the new style of life than their parents had been. The reader will notice that the conditions to which animals must adapt themselves are static. So far as the animals are concerned they are unchangeable. If the animals can adapt themselves they live, and if they cannot they die.

Man, on the other hand, can change his environment. He found the horse too slow and invented the railroad and automobile. Again, when letters caused delay, the telephone, telegraph, and radio were discovered. We have accepted these innovations so readily that people are prone to assume that man looks forward to changes and accepts them gladly. But, unfortunately, this is not the case. Even physical inventions—the most readily accepted innovations—have, as we have seen, often met determined opposition.

Conservatism—unwillingness to discard the old and adopt the new—was shown when steam was first proposed as a substitute for sails. “The parting with sails as the motive reliance of a ship of war,” says Mahan in *From Sail to Steam*, “was characterized by an extreme conservatism. Steam was accepted first as an auxiliary for towing, etc. A man of unusual intelligence maintained that steam would never maintain over sail; the steamer broke down, and owing to the fuel question could never be as self-contained as a sailing-ship.”

When it was proposed to introduce steam-power into the British navy, Sir Charles Napier, one of England’s famous military commanders, said in a speech: “When we enter Her Majesty’s service we go prepared to be riddled by bullets or to be blown to pieces by shot and shell; but, Mr. Speaker, we do not go prepared to be boiled alive.”

Rear-Admiral Sir William Symonds wrote to a friend: “I consider steamers of every description in the greatest peril when it is necessary to use broadside guns in close action; not alone from their liability to be disabled from shots striking their steam-chests, steam-pipes, and machinery, but from the great probability of explosions caused by sparks from the funnel.”

When Congress, in the fifties, ordered six steam-frigates the steam-power was ridiculously small. It was intended to serve merely as an auxiliary to the sails. The “elder statesmen” could not bring themselves to accept the new idea.

The same prejudice and violent opposition worked against the adoption of iron for the defense of war vessels. Armored ships were said by one admiral to show lack of foresight. Even Farragut raised his powerful voice against protective armor when he said: “The best protection against the enemy’s fire is a well-directed fire from our own guns.”

The controversy between breech-loading and muzzle-loading guns is so recent as to fall within the memory of

men now living. The advocates of the old notions obscured the issue by emphasizing the mechanical difficulties of perfecting the breech-loaders. This is an illustration of rationalization—the attempt to justify one's conservatism by evading the fundamental question and stressing the difficulties of the change.

The adoption of shells in place of solid shot met the same mental resistance that had to be overcome by the advocates of steam, and metal protection for our ships of war. All sorts of curious objections were raised by the conservatives of those days: solid shot was said to be more accurate, and to have a greater range and penetrating power. Yet now we know that these were merely excuses of those who did not want to think.

Even after railroads had overcome the first resistance, and many had proved their value, those connecting the Atlantic with the Pacific were vigorously opposed by business men. Nearly every one thought the scheme visionary and hopeless. It was predicted that the Union Pacific would be a commercial failure. Money needed to finance it was obtained with the greatest difficulty. At one period the stock was quoted as low as nine dollars, and about that time this railroad was described as a "right of way and a streak of rust." Goldwin Smith long maintained that the great lines of communication on the American continent should run from north to south; and on this ground he predicted that the Canadian Pacific Railway would never pay for its axle-grease.

The difficulty of gaining a hearing for new ideas to-day—even for inventions vital to industrial progress—has been forcefully stated by Fessenden.<sup>1</sup> He declares that no organization engaged in any specific field of work ever invents anything of importance, or adopts a significant invention in that field until forced to do so by outside competition.

<sup>1</sup> *Radio News*, vol. VI, p. 1140.

A formidable array of evidence is offered by Fessenden in support of this statement. The telegraph companies, he reminds us, invented neither the cable nor telephone, and when the telephone was offered to the Western Union for \$100,000 the company declined it; none of the companies directly interested invented the wireless telegraph, and they refused an offer to purchase it; the companies immediately concerned did not invent the wireless telephone, and they declined to buy the patents for \$250,000; neither the steam-turbine nor the internal-combustion engine was invented by steam-engine companies; none of the companies interested invented the Diesel engine, the turbo-electric or Diesel-electric drive, and the engineer of a large electric company insisted that electricity could never be more than an auxiliary for ships; the high-frequency alternator was not invented by electric companies, and they did not appreciate its value when given an opportunity to test it; and finally, the gyroscope compass, the inductor compass, and the wireless compass were outside inventions. And Fessenden indicates that this list contains only a few samples of the evidence at his disposal. Could a more severe indictment of business efficiency be prepared than this arraignment?

The facts which we have mentioned, showing the desire of those high in authority to maintain the *status quo* and not to permit new ideas to gain a hearing, are matters of history. We look back over the past and smile in our conceit at the progress of to-day. Those old fellows, we say, did not know what progress was, but to-day we are different. "Changes are going on all the time and we are eager for them." Unhappily, however, our longing for progress is only a myth concocted as a mental soothing syrup by men who want to justify their determination to adhere to what in their ignorance and mental petrification they call "safe and sane."

Only a few years ago, reports were made to the Navy

Department by officers at the China station regarding an improvement in sighting and firing. Though the evidence that our navy was inefficient was conclusive, the reports were "filed," and finally destroyed, as only another attempt of "radicals" to impugn the wisdom of the "High Command."

Finally, Admiral Sims went over the heads of the safe and sane men in the Navy Department and appealed directly to President Roosevelt, who issued peremptory orders that the improved sights and method of training should be tried, though nearly all of the senior officers opposed the new ideas; and it was not long before the rapid improvement in the marksmanship of the navy justified Admiral Sims's emergency treatment of the threatening cerebral ossification in the naval department.

The increased accuracy of heavy turret-guns that followed the introduction of improved sights and method of training, soon created further trouble for the elderly seers of the navy. The diagnosis indicated dreadnoughts, but the wiseacres again opposed such a radical innovation, until President Roosevelt once more forced the issue and insisted upon the adoption of this modern ship of war.

Acceptance of a new idea always creates additional troubles by discrediting related notions, and thus it was in the present instance. The caliber of guns as related to accuracy of gun-fire now required decision, and during this discussion the tendency of the backward to use fog words was again evident.

"Many of you may remember," said Admiral Sims in his address to the graduates of the Naval War College in 1921, "that this opposition was based upon the Department's official opinion that the greater the caliber of the gun the less its ability to hit; also upon the singular opinion implied by the phrase 'the smothering effect of the fire of the small secondary-battery guns'—a phrase without meaning when applied to the fire of such small guns against

battleship-armor, but, nevertheless, tenaciously believed in for many years by some of our leading authorities—a striking example of the peculiar power of a picturesque phrase when substituted for the careful reasoning that is of such vital importance in military matters.”

Careful reasoning is quite as important in business as in military matters, and the use of “picturesque phrases,” to which Admiral Sims refers, is always the method of those who strive to maintain their previously expressed opinions rather than to think the question out on the basis of objective facts. This is the way in which the defense mechanism works: it seeks justification—justification for opinions which have been expressed so many times that a change of front would imply error of judgment. No one wishes to admit that he has made a mistake on an important question. A strongly advocated opinion must be maintained against young upstarts who think that they can advise their elders. To yield to them would be humiliating, and so the men who were wise in their generation but who have not kept up with the progress of events, put on their armor of defense against facts, because nothing hurts one’s self-esteem so much as incontrovertible evidence.

The writer does not mean that men consciously decide to obscure and pervert the truth. No naval officer wishes to preserve an obsolete type of ship or gun-sight; and no business man, again, wants to maintain a policy that gives his more alert competitors an advantage in the commercial game which both are playing. Any man would indignantly deny that his mind is closed to new ideas, that he is not liberal toward suggestions of improvement, that he is opposed to progress. But before we are aware of it our opinions become all but irrevocably fixed, and then, after we have expressed our views among associates, we are loath to change lest our wisdom be doubted.

Our opinions are a very intimate part of our personality,

especially after we have taken a definite position and asserted our opinions positively. Their denial contradicts our good sense. Consequently, the impulse is to rush immediately into the lists in their defense when they seem endangered. Facts do not count at such a time. Indeed, we are blind to such insignificant details when once we have taken sides and championed a cause

Sometimes this defense of a challenged opinion takes a ludicrous form of argument, as when a former secretary of the navy expressed his willingness to stand on the bridge of the *Ostfriesland* while bombs were dropped upon it from aeroplanes. Probably he was glad that the bombers refused to be so discourteous as to blow him up. The experimental tests showed that without a miraculous intervention it would have been necessary to find a new chief for the navy, had this reckless offer been accepted. But the stock of naval secretaries was considerably below par at that time and probably the government would have placed an order before the risk was taken. The secretary had given a positive opinion against the value of bombing-planes, and the only convincing argument which he could discover was to offer his valuable body as a target.

A naval captain who had also disparaged bombing-planes, though thinking the risk too great to offer his life as collateral, maintained that bombers could not hit a moving vessel, that in any case bombs do not do much damage, that a bomb with less than 3,000 pounds of T. N. T. would not penetrate the deck, and, finally, that if the bombers could hit a moving vessel and do serious damage, a battleship would quickly shoot down the planes. This delightful bit of sophistry is rendered the more charming when one realizes that the question at issue was an experimental and not a logical problem. When the tests were made the opponents of bombing-planes were silenced for a moment, and the life of our picturesque secretary of the navy was spared.

Illustrations of unalterably fixed opinions, however, influence but slightly the mental attitude of those who learn of them. When questions have been settled and the opponents of progress in business, politics, or other lines, have become only a memory, man usually takes a complacent attitude of self-righteousness. Who, for example, would not have known, as Lincoln said, that the question whether the heavy armor of the *Monitor* would sink the vessel was a matter of simple mathematics? Yet Fox, assistant secretary of the navy, and the naval board, boldly asserted that the *Monitor* would not float. Their opinions were organized, filed away, and locked so that they could not be changed.

We readily see the faults of others, but ignore our own. Acquaintances, and even friends, have fixed ideas—opinions so firmly established that they cannot be altered—but “we are liberal and open-minded.” “We look for facts and when we get them we gladly change our views.” Indeed, one might think that nothing is so delectable as a change of opinion when the evidence is sufficient. Unfortunately, however, this is one of the pleasant delusions to which man is heir. It is one of the myths that man invented to persuade himself that he is open-minded and progressive. Few could respect themselves were they convinced that their minds are closed to ideas as tightly as the shell of a clam in the presence of an enemy. Consequently, when the protective mechanism comes to their aid, men say: “I am a thinking individual, and I will change my opinion if you will give me facts that warrant a change of belief.” But facts are never convincing when they are in opposition to beliefs and opinions amid which one has grown up and which have taken on a halo of sanctity.

The conviction is rather common also that liberalism in one line spreads through all of the affairs of life. Open-mindedness, in other words, when it exists at all, is thought

to include all questions of policy. Yet observation shows that a man may be progressive in politics and excessively conservative in business; or one may be liberal in religion and jog along with the rear-camp followers in politics and in business.

As a bit of evidence for the difficulty of being open-minded even in matters in which one is an outstanding progressive, a quotation from an address of Admiral Sims before the Naval War College is suggestive. The admiral, musing upon the mental obstructions in the way of new ideas, said: "Doubtless many of us have suffered from the pain of a new idea, and some have recorded their suffering in writing. I remember ridiculing many years ago an imaginary article describing a naval battle of the future, because the author had ships destroying one another at 12,000 yards; and I am consoled only by the fact that many of my seniors inveighed at the time against the absurd idea that 'naval actions could ever be fought at the enormous range of 7,000 yards.'" This confession of faith in liberalism and in its difficulties is the more impressive because Admiral Sims is regarded as a radical on naval questions.

What, then, is the meaning of these facts for business? The answer is that they are just as important for business men as for those in the professions or in the navy. Commerce and industry do not exempt those who engage in them from the frailties of the human mind. Business men think in obscure word-formulas as much and as often as those in other pursuits. When men say that Henry Ford "defies economic laws" they are using a formula, because Mr. Ford has met the business standard of success. He has done what was impossible according to "the economic law" and its devotees. In a time of high prices he cut the cost of his machines without lowering wages; finding steel too high because of "the economic law" he manufactured his own at a lower cost, again without reducing

wages; he found a market where his competitors had vainly searched with a microscope; and when the New York bankers thought that they had him in their grasp, he slipped through their fingers, once more defying "the economic law."

We have already spoken of the ease with which business men fall victims to pretentious "psychologists" who roam through the country luxuriating on the fat fees paid by worshippers of large-sounding phrases, the obscurity of which makes them sound like wisdom. Were this tendency to accept vague words limited to occult matters, it would have little significance for business men, since an evening's debauchery in moonshine language might afford recreation. But the substitution of meaningless phrases for facts with intelligible content is a symptom of a racial malady which permeates and undermines the foundation of all thinking.

Primitive man lived on myths and occult explanations. His efforts were directed toward adaptation to static conditions. Change had no meaning for him because he did not expect it. If an emergency arose, such as the adoption of a superior weapon by neighboring enemies or the introduction of an unknown contagious disease, the tribe paid the penalty by innumerable deaths or, perhaps, extinction. Competition was usually within known and customary limits so that the static mentality of these men and the meaningless explanations of "hard times" which they attributed to vicious spirits, did not seriously interfere with the transaction of their business. But to-day, in the midst of almost inconceivably sudden changes from inventions and other revolutionary ideas, alertness of mind and ability to discriminate fact from fiction are absolutely necessary for business success.

Efficiency is largely a psychological matter. The best machines may be used; improved devices may be installed; the management may buy at the lowest price and sell

at a handsome profit over the cost of the raw material plus the estimated expense of manufacturing it; but the firm may still lose money because of its neglect of the human factors.

We have spoken elsewhere of that phase of the psychology of employees which falls under personnel management, and at present we are concerned chiefly with the efficiency of the individual, whether he be manager or subordinate. We have found that man tends to think in vague terms, that he uses phrases which, intelligible perhaps in themselves, are meaningless when applied to the problem before him, that he readily falls into conventional language which obscures the questions which require knowledge, and that he accepts ready-made solutions which do not take into account the changed conditions.

Clearly, then, a man who would be efficient should not make hideous scarecrows and then proceed to get frightened at the monsters which he has created. He should not be afraid of ideas merely because he has not heard of them or because they are called visionary and radical; and he should remember that one is always timid in the presence of the unusual. A man afflicted with the phrase-disease does not investigate.

We have been speaking of seeing problems, of finding those which others have missed, and of discovering meaning in questions that to the casual observer look insignificant. This is what Joseph Choate did. His eloquence was not the bombast of empty words harmoniously arranged to please the uncritical ear. It was the clear and forceful presentation of facts which had escaped the notice of the opposing advocate. He found problems which others had not discovered. This eminent lawyer "did not argue many great questions," one writer has said, "but he made little ones great."

The first step in thinking is to get the facts that bear upon the question at issue, and when one has done this one

has gone a long way toward understanding the problem, even though the solution may still be uncertain. Facts have a strange way of guiding a searcher toward his goal. They did this with Darwin, who collected data and organized his observations for many years before he found the explanation of his difficulties. Darwin, however, followed his facts and therein lay his success. But the rather common trouble with thinking is that the self-styled thinker does not want to go where the facts lead.

Man usually forms his opinions first and then if he takes the trouble to collect facts—a thing which he rarely does—he selects those which fortify his views and discards the others as irrelevant or false. This defect in thinking—getting opinions and then trying to justify them—ranks with the use of vague word-formulas in smothering thought. It is usually caused by the fixed systems of thoughts that possess the man.

Since we have spoken in an earlier chapter about organized systems of thought and the effect of substituting word-formulas for thinking, it will be unnecessary to say more at present than to indicate their disastrous influence upon mental efficiency. Study of oneself to learn one's various prejudices is, of course, essential. The difficulty, however, is that no one likes to admit his prejudices. The word has an unpleasant implication which men are more ready to impute to acquaintances than to themselves. Mental complexes—settled systems of thought—are more euphonious words for fixed ideas that prevent clear, straight thinking.

Such a complex was observed by the writer in a business man a few days ago. "I believe that the best method of creating an incentive in subordinates is to appeal to selfish individual motives," was the way in which this man betrayed his fixed thoughts on this subject. If he was right, co-operation is impossible, because co-operation means working for a common good in which each indi-

vidual profits from the advantage of all. Selfishness sees only the benefit that to-morrow will bring, while co-operation takes a larger view that extends into the distant future, and assumes that one profits most when the others with whom one is associated are also benefited. Aside from argument, however, experimental handling of men has shown that narrow selfishness is neither the only nor the most effective impulse to which appeal can be made.

It would be well at times, as we have found, to act the lawyer with oneself—to place before the jury the facts about the opinions that one holds. Unfortunately, however, in such a court we ourselves are prosecuting attorney, lawyer for the defense, and the jury which must decide the case. Further, as we have seen, in such a trial the prosecuting attorney is deceptively keen to protect the defendant; and the jury is not unprejudiced. Still, such a self-examination will not be without value if the defendant is frank in his answers to the questions he puts to himself in his capacity of prosecuting attorney. He is likely to find that he has no very satisfactory reasons for his views beyond the fact that he has always heard them. The advantage of trying oneself before the bar of reason is that it aids in discovering defects not easily discernible. But one must be square with oneself, and this is difficult in matters of self-criticism. Carlyle, for example, failed in honesty with himself when his fixed opposition to evolution led him to say of Darwin: "A good sort of man this Darwin is, and well-meaning, but with very little intellect."

The arguments for novel ideas must be viewed objectively if they are to be understood. They should be kept free from all emotional entanglements, and from confusing alliances with self-interests and desires. If a mere fraction of the predicted disasters from innovations had occurred, the earth would be peopled only with raving maniacs. Happily, however, the outcome of new ideas is never as serious as the anticipation. Usually, indeed, these inno-

ventions turn out quite successfully, and those who live to enjoy their beneficial effects wonder why they ever expected such terrible results. The imagination is a serious menace to thinking when it gets its inspiration from a fixed mental complex.

Fixed systems of thoughts are habits of thinking, and consequently those who would be efficient must become acquainted with the disadvantages as well as the advantages of habit. This information will enable them to make an offensive and defensive alliance with their habits so as to use them to advantage. But to do this one should know why habits when once formed are so irresistible.

Habits are primarily the result of changes in the nervous system. They are physical phenomena and not mental. This explains why bad habits are so difficult to overcome. If they were merely mental, we could decide to change them and perhaps do it without much trouble, but physical habits are like the habits of shoes which have become fitted to our feet, or the habit of a book to open at a certain page.

To be sure, we are not accustomed to speak of the habits of shoes and books, but that is merely because we have reserved the word for the acquired behavior of animals and man. The reason for the fixed responses of such non-living things as shoes, and clothes and books, however, is the same as for the habits of man. In both cases, behavior is caused by a change in the substance that underlies action, and in man this substance is the muscles and nervous system.

We know that by exercise we can develop strength in the muscles of our arms or legs, and the explanation is that activity breaks down tissues which are restored during rest. But this restoration includes an adaptive process which tends to meet the new demands upon the muscles. In other words, the muscles change to meet the requirement of stress and strain when this requirement

is persistent. They adapt themselves to the use to which they are put.

But muscles and nerves not only adapt themselves to stress and strain; they also fit into the peculiarities or methods of work that one adopts, and when they have done this it is as hard to change our method as it would be to wear shoes which have become fitted to the feet of another man. The explanation of this is that one of the evolutionary purposes of habit is to "fix" actions so that we can repeat them exactly without fatigue.

Many acts must, of course, be repeated, and it is important that the repetition be essentially exact and without fatigue. If it were necessary to learn how to button a collar or to put a pin into our clothing whenever there is need, there would be little time left for other things. Observation of a little child trying to do either of these things will convince one of the length of time each takes, and these acts are only samples of almost innumerable things that we must do each day. But habits do not end with muscular acts of skill. Mental habits are quite as real as are the physical.

Cashiers and accountants work with a rapidity which would exhaust those unaccustomed to the strain, and newspaper reporters soon adapt themselves to the rapidity with which they must prepare their copy. The nervous system evidently adapts itself to its demands as do the muscles. But, as we have said, this adaptation results in a repetition of the same methods. This is the advantage of habit. Things which should always be done in the same way are quickly learned and then we do them automatically without error or fatigue. But one reason why we are unfatigued is that we do not need to give thought to acts of habit, and this reveals their danger for efficiency.

Since habit eliminates attention to the work, it is clear that one who would be efficient must consciously and thoughtfully decide which acts shall be relegated to habit

and which shall be left free for intelligent direction. But the difficulty in following this principle lies in man's tendency to drop into a routine because it is the easiest way of doing the day's work.

Habits are trouble-savers. They also relieve one of the effort that thinking requires. This is one of their evolutionary purposes. The lower animals cannot think, and some way had to be found to save them in spite of their low intelligence. Consequently, a given species repeated the same acts; its members went to the same feeding-ground at the same time of the year; birds migrated every fall to the same warm climate; and beavers learned to make their marvelous dams and houses. Those animals that adopted the same beneficial habits survived, and those that did not perished. In this way the instincts of the species were established.

Man is only an incident in the evolutionary process, and nature quite properly took no account of the moderate improvement of his brain over that of the lower animals. She seems to have assumed that he would need all of the protection that she gave his less-endowed ancestors and so she made him quite as much a creature of habit. As a result, man tends to repeat what he has done and to do it quite as unconsciously as do the lower animals. But to make the matter still worse, man has allowed habit to rule his intelligence—the intelligence that was bequeathed to him as a bonus by some freak of nature. He does not distinguish between the acts which efficiency requires should be made habitual and those that should be reserved for thoughtful direction and control. For this reason, man becomes a slave to his habits instead of making them his allies in furthering achievements.

Habits continue without alteration when no compelling motive forces a change; and, as a consequence, if they were acquired without intelligent selection, they remain inefficient. Executives usually get their habits by a

drifting process. Many things must be done and the executive follows the method that produces the quickest results, quite unconscious that he is cementing his method of daily work for the future. Inability to delegate authority, for example, is quite as much a habit as is the stereotyped form of letter which is characteristic of business men.

With the subordinate, the determining force that fixes habits is the spirit of the factory, office or sales force. Men want to succeed, but, as we have said, there is no established standard of success, and man is imitative. He therefore takes his cue from what he sees about him. That is his only visible standard of success, and consequently he adapts himself to it. But this adjustment is in large measure unconscious and therefore unintelligent. The spirit of the organization, of which we have already spoken, thus plays an important rôle in determining the habits which subordinates shall adopt.

But habit, as we know, extends into the realm of thought. Inclination to look into the future—to see the inevitable and to prepare for it—is as much a matter of habit as is the hour of arising in the morning. The tendency to resist the new, of which we have spoken many times, is especially disastrous in business because the onrush of the unavoidable finds it wholly unprepared. The habit of looking ahead, of seeing changes in the making, is a tremendously valuable mental asset.

Business men are often determined that the inevitable shall not be realized. The time which should be given to preparation for adjustment is spent in a vain struggle to oppose the approach of the irresistible. The path of industry is cluttered with business wrecks left by men who tried to resist the onward march of progress. We call the collection of débris from these wrecks reorganization.

Men are frightened at the immensity of the obstructions in their way. But this is because they are so close. Near objects always loom large, especially when seen through the

mist of ignorance of the facts. Wage-earners were terrified at the spectre of machinery, stage-coach owners at the competition of railroads, butchers at the advent of packing-houses, and the manufacturers of genuine articles at the invention of synthetic imitations. Things are never as dangerous as they look when seen near by.

Mental efficiency, to summarize briefly, requires a free mind, a mind unfettered by beliefs and opinions that have been absorbed as a sponge draws water into itself. New ideas should be judged frankly and generously instead of by the effects that we imagine they will have; and that the test may be fair, these new notions should be given opportunity to justify themselves. Ideas are not improved by antiquity. Those that proved themselves in the past did so because they suited earlier times, but as conditions change the ideas of an efficient man will alter to conform to the new circumstances.

Vague word-formulas have no mystic influence over the man who thinks. If he is told that the Constitution must be preserved, he will reply that several important amendments have already changed the original draft and that further progress may require other alterations. To such a man obscurity will not look like wisdom.

Further, an efficient man will subject himself at times to a searching examination to ascertain the source of his beliefs and opinions. Men have found that the bodily organs require a periodic examination that incipient diseases may be discovered before they become incurable; and, with the same purpose also, it would be well to search the mind. To be sure, defects of thinking do not result in death; they only make a man thus afflicted an antiquated specimen living in modern times.

An efficient man selects his habits, reserving for reflective consideration the acts and decisions which thoughtful attention may improve. He knows that adaptation to conditions is a subtle influence which is always busy,

and will make his mind as inelastic as the arteries when once the hardening process has them in its grip.

Finally, one who wishes to be efficient will look the inevitable boldly in the face and plan to readjust oneself before it is too late. He will view unfalteringly approaching changes. He will study causes. He will know that their explanation is to be found in man's nature, and in its relations to conditions. The world has never halted in its course, and the efficient man will not rashly try to hold it back. He will endeavor to understand the thoughts and emotions which are the driving force of the changes that come and in turn give way to others; and, in his study of these motives, the efficient man will try to be impersonal, and unbiased by the conventional business code—a code written for an earlier day and denying the right of alteration, though time moves on.

*NATIONAL INSTITUTE OF  
STANDARDIZATION*

## APPENDIX



## APPENDIX

With the second edition of this book under its new title, *How to Influence Men*, business friends have suggested that a few of the psychological facts underlying salesmanship be brought into brief review.

Salesmanship is just recovering from an infection of pseudo-psychology. Quacks are always quick to see an opportunity, and when the importance of psychology for salesmanship and management was discovered these facile gentlemen immediately offered their services with ready pen and fluent tongue. Rules for reading character from the shape of the face and head, phrenology based on the long since discarded mental "faculties," palmistry, and even astrology were quickly put on the market, and one or another of these curious, unscientific schemes for selecting salesmen was accepted by business men according to their peculiar mental slant. Books with grotesque memory systems also continue to rival the best-sellers throughout the country. Gold bricks usually find buyers and it is an interesting psychological observation that many managers and salesmen have been "sold" by the methods which they themselves employ.

The extravagance of the pretensions of these vendors of long discredited lore should have made men suspicious of their claims, but the promise of large returns on investments is always alluring to those unacquainted with the enticing bait with which hooks may be concealed. Frequently, these dealers in counterfeit psychological wisdom invent an "Institute of Psychology," electing themselves president, and they attach to their names a list of meaningless letters. Consequently, before purchasing those gold-coated clay bricks, business men would do well to ascertain whether the writer or lecturer is a member of the American Psychological Association.

Psychology is not a mystical, occult science. It is no royal road to business success, but seekers of royal roads, like searchers for hidden treasure have usually spent their lives chasing the pot of gold at the rainbow's end. Psychology—the science of human behavior—has much of value for salesmen as well as for those in other callings, but it is not a magic charm that opens the

door of wisdom and success for those who merely touch it and go their way.

Now those young men who expect psychology to give them rules for selling will be disappointed. Human nature is not as simple as this. One might as well ask for rules for taking good photographs or for catching fish. In all of these cases a few principles may be given, but the difference between a good photographer and an indifferent one cannot be expressed in rules. If this were possible we would have no poor photographers since the profit from high-grade work greatly exceeds that from mediocre pictures.

It is because psychology can give few rules that some deny its value for salesmanship. The fact is, however, that the more rules a science gives the less its value. Rules assume that similar situations are the same in all respects, a condition which is never true. External details are not supposed to be the same by a skilful photographer and still less are human situations identical. He who will excel in his vocation must acquire the knowledge that will enable him to sense differences which cannot be expressed in words. The successful orator varies his address to overcome in his audience a hostile attitude of which, perhaps, he is only vaguely conscious. But these distinctions require a knowledge of psychology that transcends rules. And this statement is equally true of salesmanship and managing men, since they also deal with the disturbingly complex conditions produced by the variable elements in human nature.

Now, these well known differences in human situations are ignored by sales talks, and by many of the books on salesmanship. A standardized method of approach assumes that men are essentially alike in those qualities in which salesmen are interested, and the "talks" are directed to a kind of generalized man who does not exist. Consequently, they lack the warmth of the personal touch. If one is going to shoot a wild animal one must know about that particular beast and not about animals in general. Like men, some of these creatures have thick skulls and others thick hides, and the point at which you should aim will depend upon the animal which you are trying to bring down.

The instructions given to salesmen usually assume that a selling situation is comparatively simple. A salesman is told to secure the buyer's attention, to arouse his interest, and to produce action by creating a conviction that the purchase will produce satisfaction. These directions, however, are deceptive.

They create in the mind of the young salesman the impression that the selling process is a rather definite, fairly well understood procedure for which a few standardized rules will suffice, but, as has been shown in the body of this book, the reverse is true. Whatever is standardized is killed, if it is not already dead.

But, in addition to the fact that salesmen sell to human beings with all of their individual peculiarities, economic utility itself—the quality of satisfying a human want—is a creation of instincts and acquired desires. But instincts and desires often oppose one another and these conflicts must in some way be overcome. Otherwise action is blocked. The desire to purchase, for example, may be opposed by caution which is native to all and excessive in many. Under these conditions the elimination of this strife between opposing instincts and desires is an important part of the difficult problem of influencing men.

Clearly then, a sales situation is exceedingly complex. To have goods to sell at a reasonable price is only a small part of a trade transaction. The attitude of the prospect must be understood that the appeal and suggestions may be so phrased as to meet the least possible resistance, and at the same time overcome the hesitation of the buyer to make the purchase.

Naturally, the attention of the prospect must be secured at the outset, and this is often the hardest part of the interview. The reason for this is that the interests of individuals vary. If the prospective buyer is interested in the transaction which takes you to his place of business a sale is made without difficulty, but this simplicity rarely exists.

Secure attention, arouse interest, and create a conviction that will lead to the act of placing an order, the young salesman is told. But attention, which is usually placed first in this formula cannot be gotten without awakening interest, and interest is a very personal matter.

A recent writer who has passed through all grades of salesmanship to an executive position has reached this same conclusion. The salesman, in his opinion, should give up trying to awaken interest by getting into contact, in some mysterious way, with the prospect's "subconscious mind." Instead, he should "collect a store of miscellaneous information," which may be tapped for use as opportunity offers. He is then prepared to take advantage of the interests of different kinds of men.

Ability to reach the sources of personal interests demands

rather extensive knowledge, and this requirement is what makes the method unpopular. Young men to-day are seeking short cuts—short cuts to law, to medicine, and to salesmanship. This is the reason for the popularity of rules. Getting knowledge takes time and effort, while a formula requires little work. Therefore, give us formulas, cries the young salesman.

Psychology cannot compete with hasty pudding salesmanship and it has no desire to do so. It can, however, show young men how their minds work and it can indicate the peculiarities of other people, if you please, thus to designate these individual variations. Since action, whether it be placing an order or doing anything else, grows out of instinctive tendencies and acquired incentives, psychology can also give us clues for influencing the behavior of individuals under different circumstances. "The prediction of human behavior," as one writer says, "is undoubtedly the most important possible result of the study of psychology for the individual salesman."

Attention and interest cannot be forced. They come naturally or not at all. This is another argument against the desiccated sales talk which strives to produce interest by a rule-of-thumb pattern. Each man has his own supply of interests and no salesman can sell him a new stock.

We see then that interest and attention are not separate mental states or acts. Awaken interest and you have attention, and the latter cannot be gained without arousing the former. There are almost as many ways of creating interest as there are individuals and for this reason a salesman should be versatile and observant. But one cannot be observant without knowing what to observe. Thus, from whatever angle we approach the question of awakening interest and securing attention we again find ourselves at the starting-point—knowledge of human nature and sensitiveness to the behavior of men.

After the interest has been aroused an incipient desire appears spontaneously, but it may not be strong enough to lead to action. Desire at this stage may be likened to a little fire built in the woods. Delicate handling is necessary at the start that it may not be smothered with too much fuel. This comparison is more than a figure of speech. Too large a quantity of information is likely to stifle the desire, especially if the information is not laid on gently with watchfulness of its effect upon the conflicting instincts of the prospect. Every man has many wants and, consequently, conflicts are to be expected. But one desire must dominate if action is to follow. All wishes

cannot be satisfied at the same time and, therefore, a choice is necessary. What this choice will be depends, again, to a large extent upon the strength of the various instincts and interests of the man.

The approach, getting attention, and arousing interest are one intricately involved process which includes all of the activities of the human mind. When interest is produced the attention is already alert and the approach is made, but, as we have seen, the interest of different persons can rarely be aroused in the same way. Much depends upon the mental attitude of the man at the moment, upon his purposes, general and specific, upon what he knows, or thinks of his customers, upon the conditions that surround him, and upon many other circumstances more or less individual and personal. The reader will see at once the impossibility of formulating rules to meet these various and varying conditions.

So wide a range of situations, involving as they do all of the operations of the human mind, with many individual twists to increase their complexity and to add to the confusion of the salesman, will naturally lead the beginner to ask whether there is any hope of bringing order and understanding out of such disorder.

The answer to this question is that men do get so complete a knowledge of human nature that the confusion disappears. Orators play with their audiences, bringing tears at one moment, followed by laughter before the tears have ceased to flow; mobs have started out to lynch a man and then, influenced by a great leader, have closed the evening by taking up a collection for their intended victim; and military commanders, weak in physical equipment and man-power, have won battles with opponents superior in every respect except in knowledge of human nature.

Too commonly business men have made the mistake of assuming that salesmanship is something peculiar and unique, and that, consequently, it needs a unique psychology. But there is only one psychology, for it is the study of human behavior as individuals and in groups. Naturally since it is a comparatively young science its knowledge is still far from complete, but many high-grade salesmen and writers of advertisements frankly admit their indebtedness to it. New ideas move slowly through the world but when once they start, their momentum carries them forward with a rush. It is not strange, then, that acceptance of psychology as a business asset was

long delayed. It was a new idea and that was sufficient condemnation. Many years were needed to convince corporation presidents that they must take the public into their confidence, but to-day publicity agents are as common as automobile filling-stations.

When Morse asked bankers to buy stock in his new electric telegraph, to give another illustration, he was ordered out of the offices as a harmless but annoying lunatic. Advocates of "steam-carriages" on railroads were called "idiots," "knaves," or "fools" fit for a strait-jacket in the madhouse. "Until we have bones of brass or iron it is preposterous to talk of travelling at the rate of fifty miles an hour," was the opinion of one editor.

Only recently have business men become interested in the psychological aspects of efficiency beyond the improvement of their salesmen. Now, however, manufacturers are awakening to the enormous expense caused by the vocational unfitness of employees, and they have appealed to psychologists for vocational tests which may be used in connection with measures of intelligence. The ability of workers for specific tasks can now be determined, and rating scales have been prepared. In this way it is possible to discover not only what a man can do, but what he actually does accomplish.

Good-will, again, has long been regarded as a business asset, but until lately it has been limited to the friendly attitude of the trade, or buying public. Employees were in a class by themselves. Their services were bought, and their daily wage or monthly salary ended the obligations of the firm. These workmen were like hired soldiers of earlier days who fought without enthusiasm or loyalty. They never marched with shoeless, bleeding feet to meet the enemy as did Washington's men on many an ice-strewn road.

Napoleon was not the first to discover the value of loyalty in winning battles, but he estimated that it was worth more than battalions and guns. A recent military writer has also added his opinion. With enthusiasm, he says: "Armies, inferior in every material respect to their opponents, have triumphed; without it numerous and well-equipped hosts have failed."

But war, you say, is not business. We are speaking, however, of morale, and if battles are lost by well-led armies with superior material equipment and greater man-power, the explanation must be sought in the loyalty of the victors to their leader. Morale has no other source. The cause for which men are fighting gradually loses its force and, while new motives for the

creation of enthusiasm may be found, the stock is soon exhausted. Something is needed to keep zeal and determination aflame, and that something is leadership. But leadership cannot exist without confidence both in the ability of the leader and in his interest in the welfare of his men. This last requirement of leadership is frequently overlooked because it is purely psychological. Yet it was an immensely important factor in the achievements of Washington and Stonewall Jackson. The common soldier always knew that he was not forgotten either in the plans for victory or in the strife of combat. Failure to appreciate this psychological factor has lost many a battle, and it has changed black ink to red on the balance-sheets of manufacturing plants and business houses.

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